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ECONOMIC REPORT

THE STATE OF SOUTH CAROLINA 1980

STATE BUDGET AND CONTROL BOARD

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TRANSMITTED TO THE SOUTH CAROLINA GENERAL ASSEMBLY

July, 1980

State of South Carolina

Office of the Governor

RICHARD W. RILEY
GOVERNOR

POST OFFICE BOX 11
COLUMBIA 29

June, 1980

TO: Members of the South Carolina General Assembly

It is my pleasure to transmit herewith the 1980 Economic Report for the State of South Carolina as prepared by the Division of Research and Statistical Services.

As the Report indicates, the past year was one in which South Carolinians experienced expanding employment opportunities and rising incomes, although inflation, a national phenomenon, clearly eroded some of the gains. New industrial development reached a peak in 1979, indicating further real expansio in the decade of the 1980's, an important ingredient for raising future standar of living of South Carolinians to those of the national level.

The economy of the State, as that of the nation, is currently in the mids of a recession, and while it is expected to cause hardship to some South Carolinians, it is hoped that most will weather the period more favorably than in the last recession. A manufacturing economy such as South Carolina's has to expect more turbulence in periods of economic adversity, but the strength of th South Carolina economy prior to the recession should serve to insulate it from serious consequences in the rest of this year.

The strong fiscal management of the State, coupled with the anticipation of current economic events, has shielded the State from over-expansion in this period of contraction. Consequently, the State is poised for further advances f South Carolina citizens when the economic picture brightens.

Yours sincerely,

Richard W. Riley

Richard W. Riley

RWR:psb

BEST AVAILA

STATE OF SOUTH CAROLINA
DIVISION OF RESEARCH AND STATISTICAL SERVICES
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CHIEF ECONOMIST

June, 1980

The Honorable Richard W. Riley
Governor of South Carolina
Chairman, State Budget and Control Board

Dear Governor Riley:

It is our pleasure to transmit to you the 1980 Economic Report for the State of South Carolina, the seventh in the series.

We have had the assistance and cooperation of many State and Federal agencies as well as of other organizations in the preparation of this report. We are deeply grateful to those who participated in this effort. The Economic Report is intended as a compact compendium of events which shaped the South Carolina economy in the previous year and a source of data on various aspects of the South Carolina economy. Within this context, we have continued to strive to make this publication as useful to as many persons as possible. We hope that the result will prove to be of great benefit.

While every effort has been made to treat all subject matter factually and objectively, it should be stated that any opinions or interpretations that might be expressed do not necessarily represent or reflect the views of the Budget and Control Board.

Sincerely,

Eugene A. Laurent

Eugene A. Laurent, Ph.D.
Director

Barbara A. Feinn

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Chief Economist

EAL/BAF:rgk

BLE COPY

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Further information or additional copies at a nominal charge can be obtained by contacting The Editor, South Carolina Economic Report, Office of Chief Economist, Division of Research and Statistical Services, 1028 Sumter Street, Suite 201, Columbia, South Carolina 29201.

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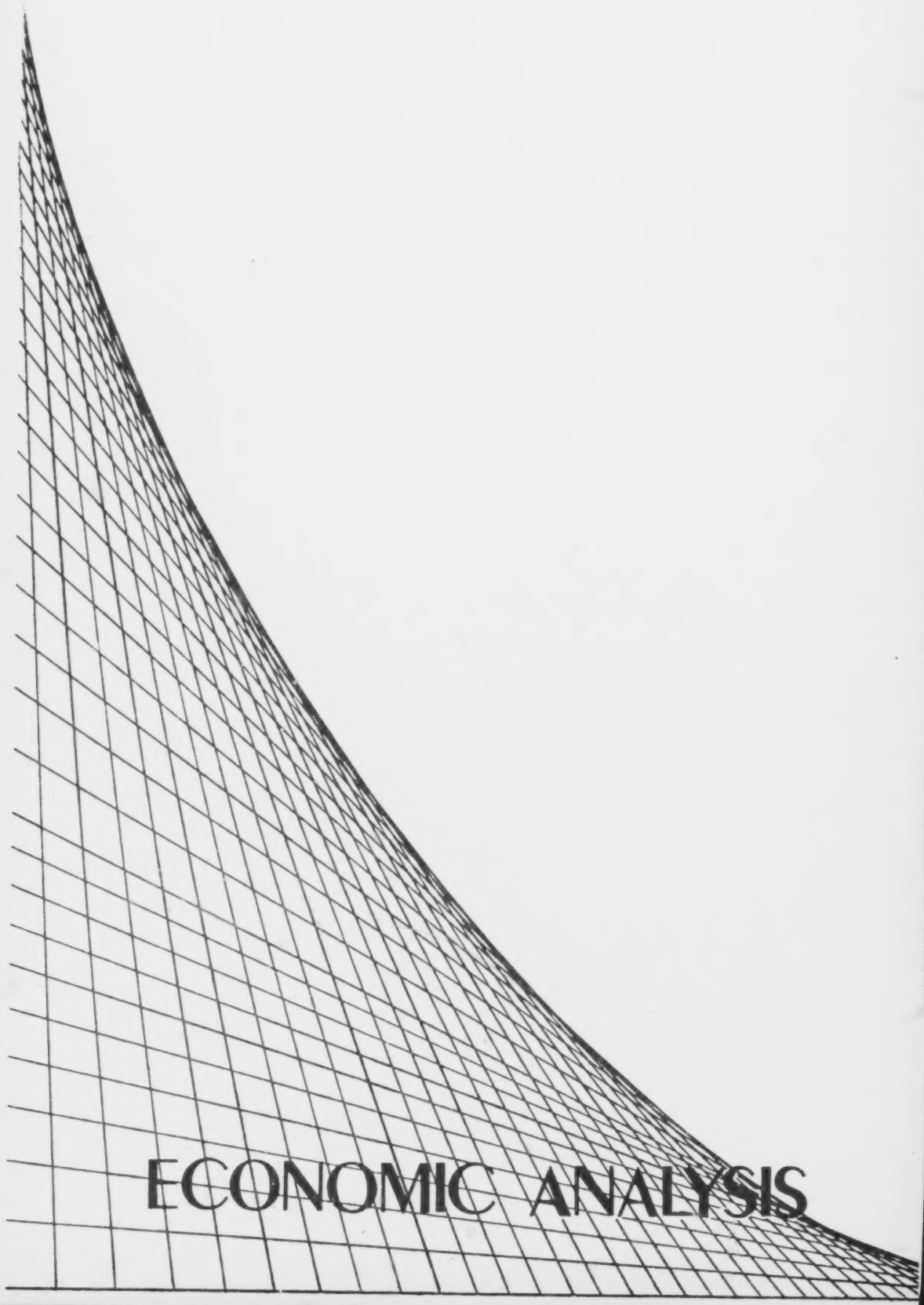

ECONOMIC ANALYSIS

UNITED STATES ECONOMY

THE U.S. ECONOMY IN 1979: A RETROSPECTIVE

The unusual events of 1979 served as prelude to what would turn out to be the even more unusual events of 1980. The economy in 1979 raced along at top speed, bolstered by the purchases of consumers who seemed almost afraid of holding cash. Realistically fearing their earnings would rise less rapidly than the price of goods, Americans went precariously into debt, using their incomes, and future incomes, to buy everything and anything in their race against inflation.

Nowhere was this more evident than in housing, where the average young person recognized an opportunity, and perhaps his only opportunity, for protecting himself from inflation and, at the same time, accumulating wealth cheaply when measured in real, after-tax dollar payments throughout the term of the mortgage. With two income earners in the family, the only limitations on an acceptable price for a house seemed to be the bank's minimum requirements and the prospect of continued employment. Consequently, payments for shelter easily passed the historical 25% of income and went upwards and beyond 45% of income, as the price of a home rose 13% to $62,900 and mortgage rates were approaching 12% by the end of the year.

Business was bolstered by avid consumer spending and prospered by it, further adding to effective demand by creating more spending with increased employment and production. The long expected recession began to be excluded from many forecasts, and indeed it appeared that the recession which had always seemed just around the corner might never develop.

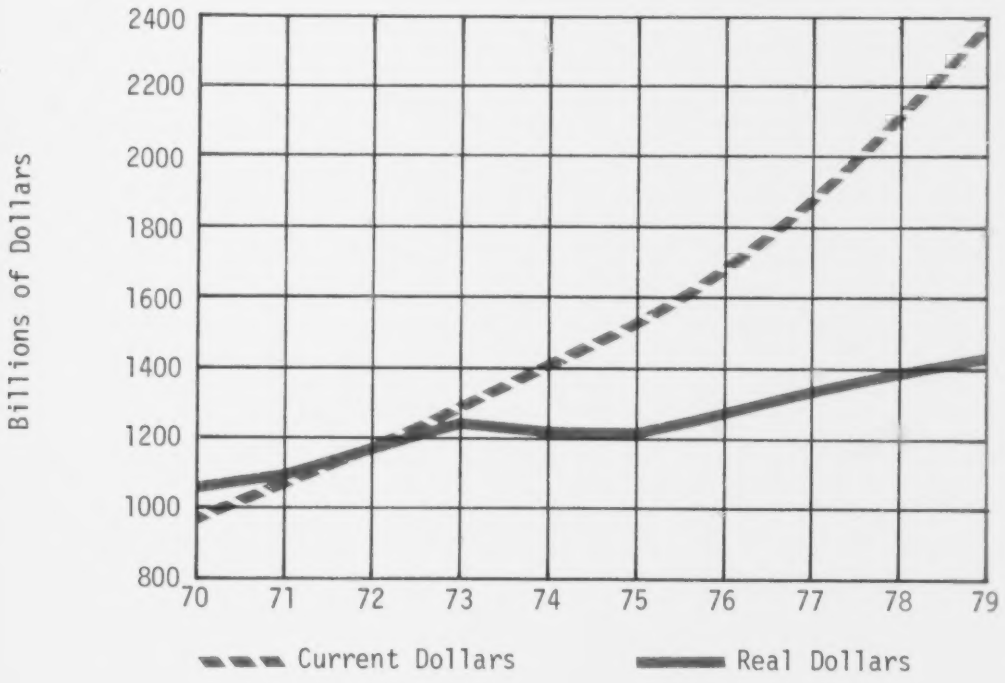
1979 then was very much a replay of 1978 but at a faster and more hectic pace. In this replay, OPEC oil prices were raised 42%, interest rates kept moving upwards, and inflation soared to 13%. The Iranian crisis developed and remained unresolved.

By the end of 1979, Americans themselves began to perceive their country as militarily, politically and economically faltering, and an air of crisis developed. Signs of panic and paralysis were replacing American optimism, and an ever-better standard of life for one and one's children became a tarnished image. 1979 was a year of records, but they were not cause for celebration.

UNITED STATES ECONOMY: THE DETAILS

Amid mixed signals from the composite index of leading economic indicators, the nation experienced marginal real growth in 1979. Gross National Product, one of the best measures of the economy's performance, rose only 2.3% in real terms, and 11.4% nominally. This compares to real growth of 5.3% and 4.4% during the two previous years, signaling the economy's leveling off in 1979.

GROSS NATIONAL PRODUCT
1970-1979



Source: U. S. Department of Commerce, Bureau of Economic Analysis

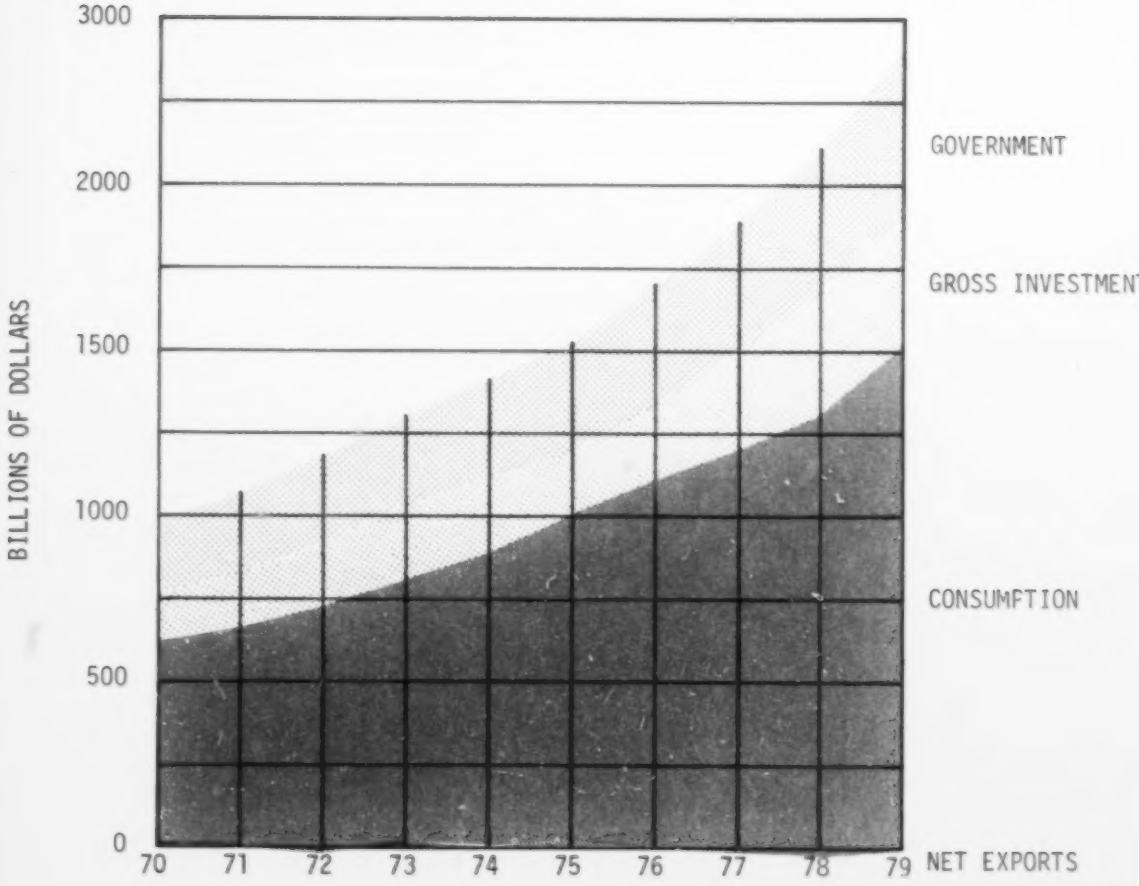
Fueled by strong demand during the year, the civilian labor force grew 2.5% adding 2.5 million jobs. Most impressive were the number of workers departing the ranks of the unemployed. Unemployment fell 1.1 percentage points, a reduction of 6.9 million in the number of unemployed workers. Significant advances in employment were reported in the construction industry (8.7%), service related jobs (5.1%) and in the finance, insurance, and real estate industries (5%). Manufacturing employment increased 2.4% while nonmanufacturing employment posted a 3.6% gain.

Persistent inflation continued unabated despite attempts by the Federal Reserve and the Carter Administration to contain it. A tenacious consumer with his new psychology surprised most analysts. This psychology manifested itself in accelerated debt-related buying patterns through inflation-induced wealth effects, and in reduced savings. This resulted in added stimulus to an already overheated economy. Business activity responded to this unexpected, continued effective demand by bolstering the economy at a time when previous forecasts had signaled a declining trend. The demand for housing remained strong despite rising rates.

Along with inflation the problem of energy remained unresolved. The nation entered the year and ended it without a comprehensive energy program. The degree of uncertainty involving available energy resources revealed the susceptibility of the economy to economic shortages.

The nation's economic activity in 1979 can more readily be understood from a closer examination of the household, business and government sectors.

COMPONENTS OF GROSS NATIONAL PRODUCT
1970-1979



The Consumer

Double-digit inflation, rising energy prices, uncertain energy sources, escalating interest rates and international instability made the American consumer uncertain of the future. In response, consumers adopted a new buying strategy of satisfying immediate demands through increased consumption in the hope of avoiding future price increases or other uncertainties. Finding themselves unable to cope with their deteriorating standard of living, consumers steadily increased discretionary expenditures using funds originally earmarked for savings or cashing-in on their inflated equity in appreciated assets.

This behavior, highlighted by inflationary price expectations, became more deeply ingrained with each successive month of rising prices. The result was an 11.8% nominal increase in personal consumption expenditures. Durable and nondurable purchases and expenditures, increased 6.3%, 12.5% and 12.9%, respectively. Total personal consumption expenditures were 63.5% of nominal GNP highlighting the importance of consumer activity in 1979.

TOTAL PERSONAL CONSUMPTION EXPENDITURES
1978-1979
(Billions of Dollars)

	Current	% Change	% of GNP	Real	% Change	% of GNP
1978	$1350.8	11.6%	63.5%	$900.8	4.5%	64.4%
1979	1509.8	11.8	63.5	924.5	2.6	64.6

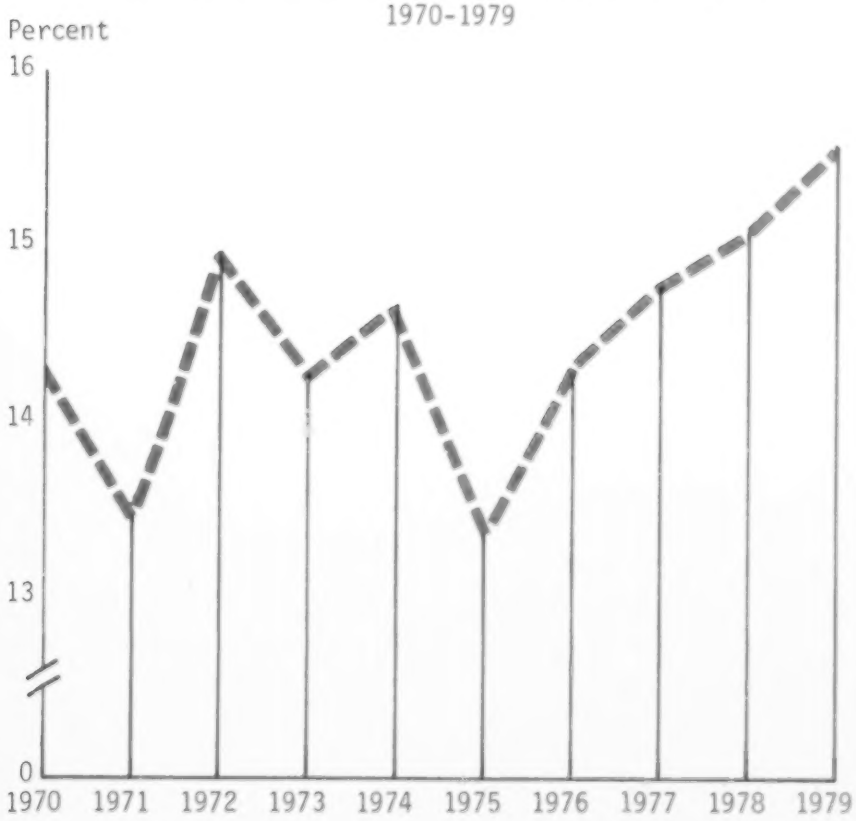
COMPONENTS OF PERSONAL CONSUMPTION EXPENDITURES
1978-1979
(Billions of Dollars)

	Durable Goods		Nondurable Goods		Services	
	Amount	% Change	Amount	% Change	Amount	% Change
1978	$200.3	12%	$530.6	10.2%	$619.8	12.7%
1979	213.0	6.3	596.9	12.5	699.8	12.9

Source: U. S. Department of Commerce, Bureau of Economic Analysis

Personal income, the remuneration from the factors used in the production process, increased 2.9% in real terms in 1979. Real disposable personal income, the amount of income left after tax and non-tax payments are deducted, rose 2.2%. These marginal gains are indicative of the growing disparity between an individual's income and their purchasing power.

PERSONAL TAX AND NONTAX PAYMENTS
AS A PERCENTAGE OF CURRENT PERSONAL INCOME
1970-1979



Source: U. S. Department of Commerce, Bureau of Economic Analysis.

Reflective of the consumer's status with respect to current economic conditions is the Discomfort Index originated by the late Arthur Okun. Okun's measure is meant to reflect the consumer's burden resulting from both inflation and unemployment. The following table displays the recent growing level of discomfort resulting mainly from the spiraling rate of inflation.

	CPI (Percent Change)	Unemployment Rate	Discomfort Index
1970	5.9%	5.0%	10.9%
1971	4.3	6.0	10.3
1972	3.3	5.6	8.9
1973	6.2	4.9	11.1
1974	11.0	5.6	16.6
1975	9.2	8.5	17.7
1976	5.7	7.7	13.4
1977	6.5	7.0	13.5
1978	7.7	6.0	13.7
1979	11.2	5.8	17.0

Closely monitoring consumer attitudes is essential in determining the future direction of the economy. Realization of the amount of strain imposed upon households due to inflation, evident by the recent surge in consumer debt, tends to increase the probability of a more severe downturn in 1980. At the first hint of a recession consumers may drastically cut consumption in order to replenish reduced savings, thus eliminating the crutch responsible for the longevity of the current business cycle.

The Business Sector

During 1979, corporate profits and new business formations, both measures of the business sector's performance, displayed unexpected strength in light of the forecasted downturn. Corporate profits grew at a 6.3% rate in 1979 while business starts increased 9.7% during 1979.

	Corporate Profits[1] (Billions of $) 1970-1979	Percent Change	New Business[2] Incorporations 1970-1979	Percent Change
1970	$ 67.9	-16.6%	264,209	-3.7%
1971	77.2	13.7	287,577	8.8
1972	92.1	19.3	316,601	10.1
1973	99.1	7.6	329,358	4.0
1974	83.6	-15.6	319,149	-3.1
1975	95.9	14.7	326,345	2.3
1976	126.8	13.3	375,766	15.1
1977	150.0	18.3	432,172	15.0
1978	167.7	11.8	478,019	10.6
1979	178.2	6.3	524,565	9.7

	Core Inflation Rate[3] 1970-1979	Consumer Price Index[4] (Percent Change) 1970-1979
1970	4.1%	5.9%
1971	4.3	4.3
1972	4.2	3.3
1973	4.4	6.2
1974	6.0	11.0
1975	7.9	9.2
1976	7.7	5.7
1977	7.7	6.5
1978	7.8	7.7
1979	8.2	11.2

Sources: [1]Corporate profits before tax with inventory valuation and capital consumption adjustments. U. S. Department of Commerce, Bureau of Economic Analysis.

[2]New business incorporations (50 States and District of Columbia), unadjusted for seasonal variations. Dunn and Bradstreet, Inc.

[3]Otto Eckstein, Data Resources, Incorporated

[4]U. S. Department of Labor, Bureau of Labor Statistics

Many underlying factors surfaced late in 1979 to suggest a dismal outlook. The core inflation rate rose to 8.2% during the year. This rate measures the trend increase of the cost of the factors of production--both labor and capital. Its increase originates in the long-term expectations of inflation in the minds of households and businesses, in the contractual agreements which sustain the wage-price momentum, and in the tax system. The current significance of the core inflation rate is the magnitude of its upward growth as well as the difficulty in implementing its rapid decline in the short-run with stabilization policies.

The productive capacity of the nation was another focal point throughout the year. As aggregate demand continued unabated it became apparent that the economy was experiencing supply limitations. Supply constraints can be attributed to limited real growth in investment as well as a mass entrance of secondary laborers during the 1970's, accounting for minimal productivity gains. Although capacity utilization rates bordered on historically high levels, the above mentioned factors produced marginal real growth.

MANUFACTURING CAPACITY
UTILIZATION RATE
1970-1979

	Output as Percent of Capacity
1970	81%
1971	80
1972	83
1973	86
1974	83
1975	77
1976	81
1977	83
1978	84
1979	83

Source: U. S. Department of Commerce, Bureau of Economic Analysis.

The Investment Efficiency Ratio (IER), a measure comparing the amount of funds invested to those resulting in growth, provides an insight into the economy's ability or lack of it to supply the desired output.[1] During the last decade, emphasis has shifted from investment to consumption due to among other reasons inflation and antiquated tax laws, causing in turn low productivity and thus in-

[1]New York Stock Exchange

sufficient output. The IER was 30.2¢ in the 1950's. Since then it has fallen to 27.1¢ in the 1960's, an 11.4% decline and 12.8¢ in the 1970's, a 112% decline from the 1950's. This substantial drop is the result of a combination of many factors: an apparent lack of entrepreneurial talent, the reduction in speculative investments due to the lack of venture capital funds, growing incongruities in the tax system and the oppressive cost of government regulation. Substantial real growth in the future will be difficult unless these conditions are reversed.

Unlike the period preceding the recession of 1974-75, the business sector in the last two years has adopted a more conservative approach to inventory control. Inundated by the long prophesy for a downturn, businesses have managed inventories more closely which should lessen the severity of the 1980 recession.

The cost of inflation brought to the surface a necessary and inevitable trade-off between spending now as a hedge against inflation and saving to build future production capacity for long-term growth. Many possible corrective measures exist, such as the allocation of funds for research and development, reinstating investment tax credits and legislating more liberal depreciation laws. The correct mixture remains open to debate.

Government

During the latter part of the 1970's numerous grassroot mandates challenged government's expanding role. Popularized by California's Proposition 13, legislation calling for drastic cutbacks in property taxes was adopted by many states in a quest to control government spending. The popular appeal of such controls stemmed from the perception that government--federal, state and local--had grown to such a formidable force that it was crowding out real economic and monetary activity in the private sector, adding to inflationary pressures.

TOTAL GOVERNMENT PURCHASES OF GOODS AND SERVICES
1978-1979
(Billions of Dollars)

	Current	% Change	% of GNP	Real	% Change	% of GNP
1978	$435.6	9.9%	20.5%	$273.2	1.8%	19.5%
1979	476.4	9.4	20.1	274.3	.4	19.2

In 1979, federal expenditures rose 12.3% financed in part by an estimated $27 billion deficit. All government, federal, state, and local expenditures grew at a 9.4% rate. Still, the portion of GNP attributed to the government sector has decreased in real terms from 21.8% of GNP in 1975 to an estimated 19.2% in 1979.

Source: U. S. Department of Commerce, Bureau of Economic Analysis.

U. S. OUTLOOK

The economy apparently peaked in the first quarter of 1980 and then rapidly deteriorated in the second quarter. As the economy attempts to adjust to a reduction in demand, a great degree of uncertainty abounds regarding the duration and severity of the current recession. The shape and speed of the nation's recovery will depend on (1) consumer attitudes, (2) the effects of the current administration's policy prescriptions to combat the recession and (3) business expectations.

Consumer spending patterns could be the key to recovery. If consumers return to their previous buying habits, the downturn could be short. The probability of this, however, remains slight. Spending patterns in 1979 aimed at reducing the effects of inflation, resulted in high consumer debt ratios--buying now even if it meant borrowing, in order to avoid further price increases. It appears unlikely that consumer buying patterns will rebound as strongly in the next twelve to eighteen months. The continuing pressure from reduction of these past debts and possible postponement of purchases until better times almost insures a slower spending rate.

As the recession worsens, public pressure will grow for the current administration to undertake expansionary fiscal and monetary action. The problem with such stimulative policy is the worry of continued inflation. Although the President has vowed not to cut taxes in 1980, the worsening recession may cause a reversal in policy. Recent actions by the Federal Reserve (addressed in the Financial Chapter) have provided greater flexibility in interest rates, on the downside as well as the upside. Depending on the interest elasticity exhibited by consumers and business, this flexibility could lead to a turning point in the recession.

A delay or postponement of planned investment by business could precipitate the economy's fall. Housing starts are forecast to decline 40% and the agricultural sector promises a poor performance as crop prices are not expected to keep pace with rising costs.

Regardless of the magnitude of the ensuing recession, the anticipated loss of employment will lead to real declines in personal income. This loss of consumer and business purchasing power can only lead to further contractions throughout the economy resulting in less than a 2% decline in real GNP in 1980 with an eventual recovery occurring in mid 1981. These contractions are expected to result in an unemployment rate reaching 8% by the end of this year and averaging at least 8.5% in 1981.

This decline in economic activity will reduce demand resulting in the curtailment of our recent spiralling inflation. Prices, in 1980, as measured by the Consumer Price Index (CPI) are expected to rise 10%. With further reductions in demand in 1981, the CPI should rise by about 9%, an improvement over 1979 and 1980, but still high. Additional details of the United States forecast are located in accompanying tables.

FORECAST OF UNITED STATES ECONOMY

CATEGORY	1979	1980	1981
Gross National Product (Billions of Dollars)	$2368.8	$2538.4	$2780.6
Real Gross National Product[1] (Billions of 1972 Dollars)	$1431.6	$1410.4	$1423.1
Personal Consumption Expenditures (Billions of Dollars)	$1509.8	$1651.7	$1810.4
New Car Sales (Millions of Units)	10.7	8.8	9.3
Gross Private Investment (Billions of Dollars)	$387.2	$360.5	$392.9
Housing Starts (Millions of Units)	1.7	1.1	1.5
Government Purchases (Billions of Dollars)	$476.5	$532.7	$584.5
Federal	$166.7	$194.7	$216.1
State and Local	$309.8	$338.0	$368.4
Net Exports (Billions of Dollars)	$-4.6	$-6.5	$-7.2
Personal Income (Billions of Dollars)	$1924.2	$2103.2	$2315.6
Real Personal Income (Billions of 1972 Dollars)[2]	$1178.3	$1165.5	$1170.2
Unemployment Rate (%)	5.8	7.7	8.5
Consumer Price Index (1967 = 100)	217.6	246.3	270.9

[1]Deflated by Implicit Price Deflator for Gross National Product.

[2]Deflated by Implicit Price Deflator for Personal Consumption Expenditures component of Gross National Product.

Source: Office of Chief Economist, Division of Research and Statistical Services

FORECAST OF UNITED STATES ECONOMY

RATES OF CHANGE

CATEGORY	1978-1979	1979-1980	1980-1981
Gross National Product	11.3%	7.2%	9.5%
Real Gross National Product	2.3	-1.5	0.9
Personal Consumption Expenditures	11.8	9.4	9.6
New Car Sales	-5.4	-17.8	5.7
Gross Private Investment	10.1	-6.9	9.0
Housing Starts	-14.2	-35.3	36.4
Government Purchases	9.4	11.8	9.7
Federal	9.2	16.8	11.0
State & Local	9.5	9.1	9.0
Personal Income	12.0	9.3	10.1
Real Personal Income	2.9	-1.1	0.4
Consumer Price Index	11.2	13.2	10.0

SOUTHEAST

THE SOUTHEAST

Regional disparities result from differences in population, climate, degrees of specialization, industrial structure as well as economic history. Inter and intra-regional comparisons of economic phenomena provide a good perspective for variations in regional economic activity during periods of economic instability.

South Carolina is included in the U. S. Department of Commerce definition of the Southeast, along with Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Tennessee, Virginia and West Virginia. The Southeast emerged during the 1970's as a dominant social, political and economic force, highlighted by the election of a southern president, the first since the Civil War. During the decade of the 1970's, the Southeast outperformed the nation in most major economic categories.

The Southeast's growing prominence can be traced to a steady migration of labor and industry towards the Sun Belt. This Southern migration was and is the result of an abundance of amenities, such as a pleasant climate, accessible transportation and a readily available work force. The result has been an inward flow of population and business (both foreign and domestic) which provided the stimulus for growth and rejuvenation of the region.

Over the 10 year period, the Southeast experienced healthy gains in personal income, both nominal and real, measures indicative of the relative regional prosperity. From 1970-1979, nominal personal income in the Southeast increased 11.6% compared to 10.3% for the nation. Real personal income during the decade rose 4.8%, compared to the nation's 3.5% increase. Per capita income increased also during the same period, 10.1% in the Southeast and 9.3% in the nation. This last figure is especially significant in that the Southeast's population rose more than the nation's, 1.4% vs. .8%.

During the last decade employment throughout the region advanced steadily, led primarily by nonmanufacturing jobs. Total non-agricultural employment for the decade rose 3.6% in the Southeast while only 2.6% in the nation. For the same time span, nonmanufacturing employment grew 4.2% in the Southeast and 3.2% in the United States. Manufacturing employment grew 1.7% in the region compared to .9% nationally.

Finally, unemployment, a measure illustrative of cyclical variability remained generally lower in the region than the rest of the nation.

OUTLOOK

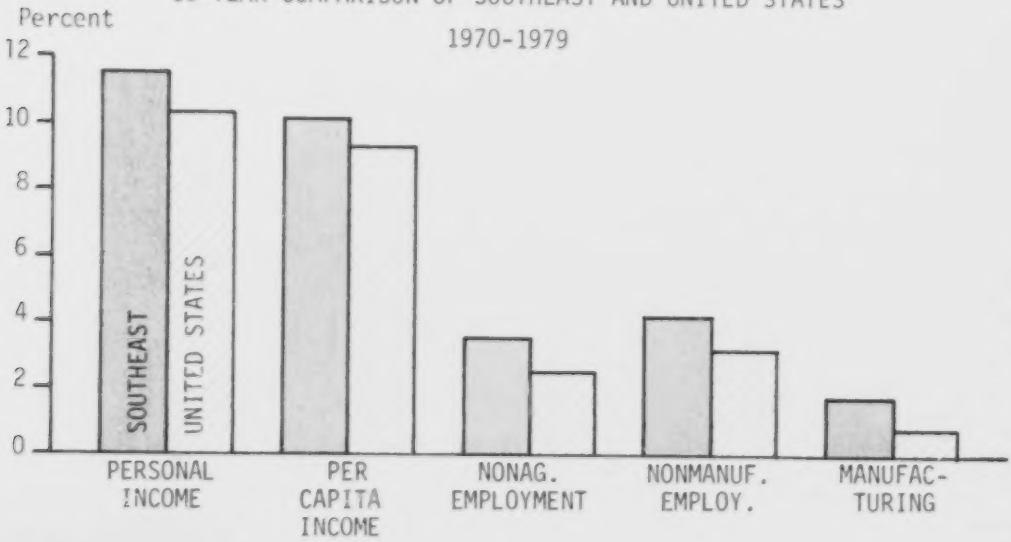
The Southeast should continue to prosper during the 1980's. Nine of the twelve states in the Southeast are ranked among the top twenty states in growth in real personal income. Forecasts of total employment growth during this decade rank seven Southeastern states in the twenty fastest growing states.

Energy, housing, and population trends will play a significant role in this growth. It is expected, however, that the rate of growth relative to the 1970's may slow somewhat due to the general state of the national economy as well as to competition from other areas such as the Southwest.

BEST AVA

UNITED STATES, REGIONS, AND STATES

10-YEAR COMPARISON OF SOUTHEAST AND UNITED STATES
1970-1979



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SOUTHEAST
TOTAL PERSONAL INCOME
(Billions of Dollars)
1970-1979

	1970	1975	1976	1977	1978	1979	% Change 1978-1979
SOUTHEAST	$141.1	$239.9	$267.2	$296.7	$335.9	$378.6	12.7%
ALABAMA	10.0	16.8	18.8	20.9	23.5	26.3	11.9
ARKANSAS	5.4	9.6	10.5	11.8	13.0	14.8	13.8
FLORIDA	25.3	46.6	50.9	57.0	65.1	74.8	14.9
GEORGIA	15.2	24.8	27.5	30.5	34.1	38.0	11.4
KENTUCKY	9.9	16.5	18.5	20.7	23.1	26.1	13.0
LOUISIANA	11.0	18.3	20.9	23.5	26.6	30.1	13.2
MISSISSIPPI	5.7	9.5	10.7	12.0	13.3	14.6	9.8
NORTH CAROLINA	16.3	26.9	29.9	32.7	36.7	41.7	13.6
SOUTH CAROLINA	7.7	13.1	14.7	16.3	18.4	20.6	12.2
TENNESSEE	12.1	20.1	22.6	25.2	28.5	31.9	11.9
VIRGINIA	17.1	28.7	32.0	35.3	39.5	44.1	11.6
WEST VIRGINIA	5.3	8.9	10.0	11.1	12.3	14.0	13.8
UNITED STATES	793.5	1248.6	1374.2	1522.8	1709.6	1915.9	12.1

Source: U.S. Department of Commerce, Bureau of Economic Analysis

SOUTHEAST
TOTAL PERSONAL INCOME
(In Billions of 1972 Dollars)
1970-1979

	1970	1975	1976	1977	1978	1979	% Change 1978-1979
SOUTHEAST	$152.5	$189.8	$201.2	$211.3	$224.1	$231.9	3.5%
ALABAMA	10.9	13.2	14.1	14.8	15.5	15.9	2.6
ARKANSAS	5.9	7.5	7.8	8.3	8.6	9.0	4.7
FLORIDA	27.7	36.7	38.1	40.2	42.8	45.2	5.6
GEORGIA	16.6	19.5	20.6	21.5	22.4	23.0	2.7
KENTUCKY	10.9	13.0	13.9	14.6	15.2	15.7	3.3
LOUISIANA	12.1	14.4	15.6	16.6	17.5	18.2	4.0
MISSISSIPPI	6.2	7.4	8.0	8.5	8.7	8.8	1.2
NORTH CAROLINA	17.9	21.2	22.4	23.1	24.1	25.2	4.6
SOUTH CAROLINA	8.3	10.4	11.1	11.6	12.3	12.6	3.0
TENNESSEE	13.3	15.8	16.9	17.8	18.8	19.3	2.7
VIRGINIA	18.8	22.6	23.9	24.9	26.0	26.7	2.7
WEST VIRGINIA	5.8	7.0	7.5	7.8	8.1	8.4	3.7
UNITED STATES	857.8	987.8	1034.8	1084.6	1140.5	1173.3	2.9

Source: U. S. Department of Commerce, Bureau of Economic Analysis

SOUTH CAROLINA

SOUTH CAROLINA ECONOMY

By most measures of economic activity, the economy of South Carolina in 1979 performed relatively better than the economies of the Southeast and the nation as a whole. Despite relentless inflation and frequent attempts by the Administration to fight it through a slowing of overall economic activity, the State experienced real growth throughout the year.

South Carolina's total nonagricultural employment rose 3.6% in 1979 while the nation showed a 3.5% increase and Southeast employment increased 3.1%. Manufacturing employment increased 2.1% following a banner year, while capital investment increased 79.8%. Overall State economic activity led to a rise in durable goods employment of 4.7% and in nondurable of 1%.

Real personal income, one of the best measures of the State's economic strength, grew 3% in 1979. This compares to the nation's 2.9% increase and the Southeast's 3.5% growth rate. The increase in personal income aided households and firms in their struggle against inflation and subsequently added additional stimulus to the State's economy through increased consumption expenditures.

Per capita personal income, an indicator of the economic well-being of South Carolinians, grew at an 11.7% rate compared to 11.4% in the Southeast and 11% in the nation. Considering the impetus of inward migration during the last decade, this measure highlights the State's underlying vitality.

The textile industry remains a dominant force in the economy of South Carolina. Textile mills and apparel and other textile producers together are the largest employers of manufacturing workers in the State, with 48% of total manufacturing employment. However, since the 1974-75 recession when textile related employment peaked at 204,800 workers, employment in the industry has failed to return to its previous high. This job reduction in the State's principal industry has caused concern. The substitution of capital for labor implies that an increasing number of jobs has been and will continue to be lost through mechanization.

SOUTHEAST
PER CAPITA PERSONAL INCOME
1970-1979

	1970	1975	1976	1977	1978	1979	% Change 1978-1979
SOUTHEAST	$3,208	$5,031	$5,543	$6,085	$6,810	$7,589	11.4%
ALABAMA	2,892	4,634	5,159	5,654	6,325	6,976	10.3
ARKANSAS	2,791	4,527	4,933	5,414	6,121	6,785	10.8
FLORIDA	3,698	5,634	6,094	6,728	7,578	8,532	12.6
GEORGIA	3,300	5,029	5,530	6,047	6,779	7,515	10.9
KENTUCKY	3,076	4,882	5,404	5,964	6,605	7,342	11.2
LOUISIANA	3,023	4,808	5,399	5,977	6,738	7,477	11.0
MISSISSIPPI	2,547	4,042	4,519	5,011	5,582	6,167	10.5
NORTH CAROLINA	3,200	4,943	5,473	5,923	6,640	7,359	10.8
SOUTH CAROLINA	2,951	4,665	5,179	5,651	6,292	7,027	11.7
TENNESSEE	3,079	4,823	5,344	5,865	6,561	7,299	11.2
VIRGINIA	3,677	5,770	6,333	6,952	7,721	8,605	11.4
WEST VIRGINIA	3,038	4,968	5,479	5,999	6,629	7,470	12.7
UNITED STATES	3,893	5,861	6,401	7,038	7,840	8,706	11.0

Source: U. S. Department of Commerce, Bureau of Economic Analysis

SOUTHEAST
TOTAL NONAGRICULTURAL EMPLOYMENT
(In Thousands of Persons)
1970-1979

	1970	1975	1976	1977	1978	1979	% Change 1978-1979
SOUTHEAST	13771.2	16109.0	16787.6	17549.1	18389.6	18953.6	3.1%
ALABAMA	1010.4	1155.3	1207.2	1268.8	1336.2	1356.2	1.5
ARKANSAS	536.3	623.8	660.0	695.9	725.9	743.2	2.4
FLORIDA	2151.7	2746.2	2784.8	2933.0	3124.0	3290.6	5.3
GEORGIA	1557.5	1755.7	1836.3	1917.2	1992.6	2031.5	2.0
KENTUCKY	909.9	1064.1	1111.7	1158.2	1223.3	1269.4	3.8
LOUISIANA	1033.7	1249.6	1314.7	1364.3	1415.9	1450.2	2.4
MISSISSIPPI	583.8	692.2	727.6	765.7	812.8	833.2	2.5
NORTH CAROLINA	1782.8	1980.9	2087.1	2176.9	2264.8	2333.8	3.0
SOUTH CAROLINA	842.1	982.6	1038.3	1081.5	1137.5	1177.9	3.6
TENNESSEE	1327.6	1505.7	1575.6	1647.5	1708.1	1734.8	1.6
VIRGINIA	1518.9	1778.4	1848.1	1929.8	2035.4	2100.4	3.2
WEST VIRGINIA	516.5	574.5	596.2	611.2	613.1	632.4	3.1
UNITED STATES	70880.0	76945.0	79382.0	82423.0	86446.0	89482.0	3.5

Source: U. S. Department of Commerce, Bureau of Economic Analysis

SOUTHEAST
NONMANUFACTURING EMPLOYMENT
(In Thousands of Persons)
1970-1979

	1970	1975	1976	1977	1978	1979	%Change 1978-1979
SOUTHEAST	9859.6	12174.4	12607.7	13199.4	13896.6	14205.7	2.2%
ALABAMA	683.3	833.4	866.9	914.6	970.9	992.3	2.2
ARKANSAS	367.7	444.6	464.9	486.0	509.8	527.5	3.5
FLORIDA	1829.3	2406.8	2430.8	2552.1	2703.8	2842.3	5.1
GEORGIA	1090.5	1316.4	1359.9	1423.0	1482.2	1513.4	2.1
KENTUCKY	654.6	804.3	838.3	873.4	933.7	978.1	4.8
LOUISIANA	854.6	1063.3	1119.3	1161.1	1208.5	1238.7	2.5
MISSISSIPPI	401.5	490.5	508.7	535.6	577.0	599.4	3.9
NORTH CAROLINA	1069.6	1265.4	1330.5	1395.8	1462.8	1521.6	4.0
SOUTH CAROLINA	501.7	642.7	667.2	701.3	746.3	778.6	4.3
TENNESSEE	863.9	1046.6	1089.3	1140.1	1185.9	1215.5	2.5
VIRGINIA	1152.9	1407.0	1460.2	1529.0	1627.2	1689.6	3.8
WEST VIRGINIA	390.0	453.4	471.7	487.4	488.5	508.7	4.1
UNITED STATES	51513.0	58622.0	60385.0	62741.0	65970.0	68510.0	3.9

Source: U. S. Department of Commerce, Bureau of Economic Analysis

SOUTHEAST
MANUFACTURING EMPLOYMENT
(Thousands of Persons)
1970-1979

	1970	1975	1976	1977	1978	1979	% Change 1978-1979
SOUTHEAST	3911.2	3934.7	4179.8	4350.0	4493.3	4548.0	1.2%
ALABAMA	327.1	322.0	340.3	354.2	365.3	363.9	-.4
ARKANSAS	168.6	179.2	195.1	209.3	216.1	215.7	-.2
FLORIDA	322.4	339.2	354.0	380.9	420.5	448.3	6.6
GEORGIA	467.0	439.3	476.5	494.1	510.3	518.1	1.5
KENTUCKY	255.3	259.8	273.4	284.8	289.5	291.4	.7
LOUISIANA	179.1	186.3	195.4	203.3	207.4	211.5	2.0
MISSISSIPPI	182.1	201.7	219.0	230.1	235.8	233.8	-.8
NORTH CAROLINA	713.2	715.5	756.7	781.1	802.0	812.2	1.3
SOUTH CAROLINA	340.2	339.9	371.1	380.2	391.2	399.3	2.1
TENNESSEE	463.7	459.1	486.0	507.4	522.4	519.3	-.6
VIRGINIA	366.0	371.4	387.8	400.8	408.2	410.8	.7
WEST VIRGINIA	126.5	121.1	124.5	123.8	124.6	123.7	-.7
UNITED STATES	19367.0	18323.0	18997.0	19682.0	20476.0	20972.0	2.4

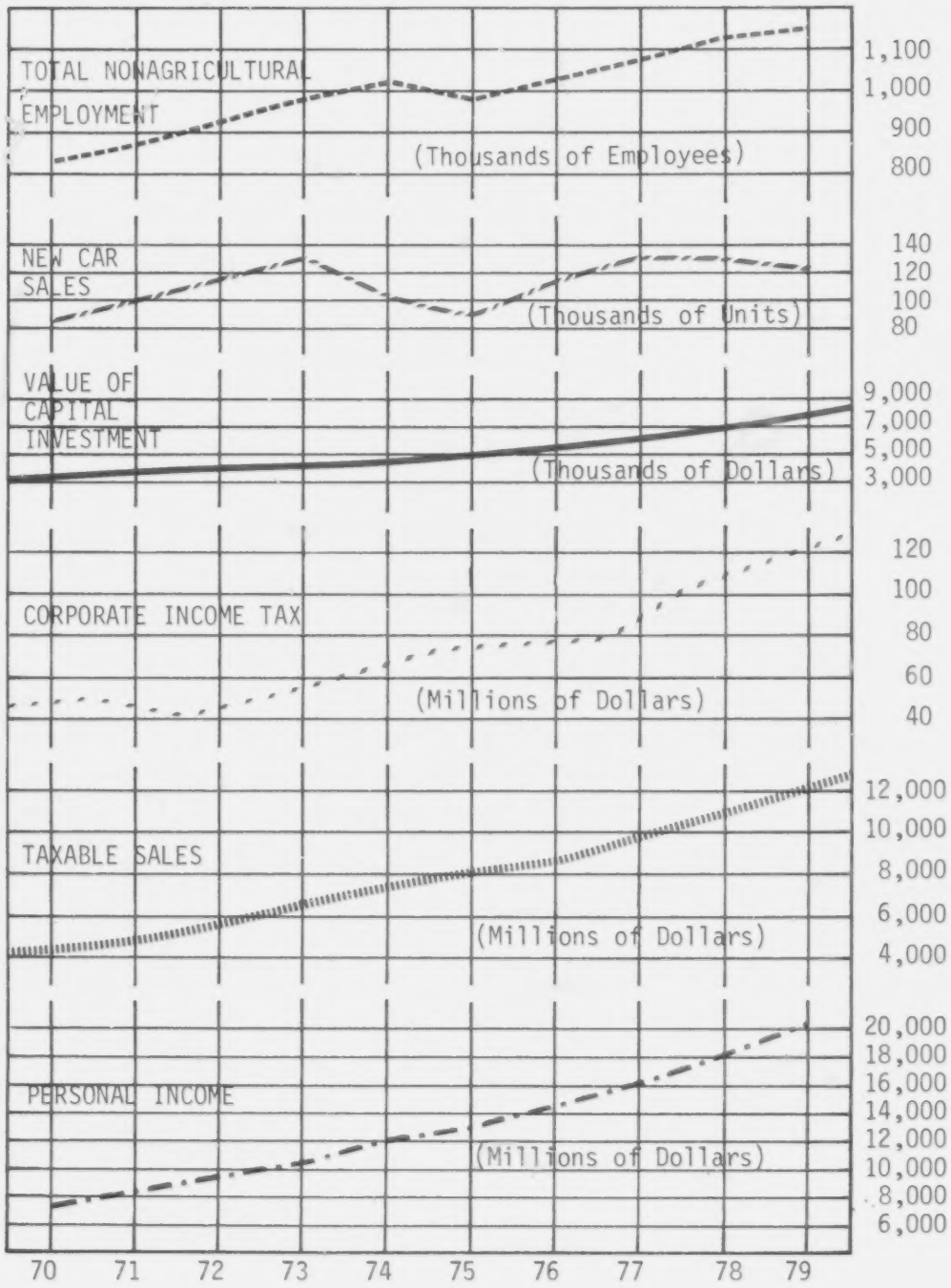
Source: U. S. Department of Commerce, Bureau of Economic Analysis

SOUTHEAST
POPULATION
(Thousands of Persons)
1970-1979

	July 1, 1970	July 1, 1975	July 1, 1976	July 1, 1977	July 1, 1978	July 1, 1979	% Change 1978-1979
SOUTHEAST	43,995	47,690	48,202	48,777	49,352	49,893	1.1%
ALABAMA	3,450	3,614	3,657	3,690	3,728	3,769	1.1
ARKANSAS	1,930	2,112	2,113	2,143	2,167	2,180	.6
FLORIDA	6,851	8,253	8,348	8,481	8,661	8,860	2.3
GEORGIA	4,604	4,926	4,968	5,027	5,075	5,117	.8
KENTUCKY	3,231	3,392	3,439	3,468	3,490	3,527	1.1
LOUISIANA	3,654	3,829	3,883	3,935	3,978	4,018	1.0
MISSISSIPPI	2,223	2,350	2,371	2,390	2,409	2,429	.8
NORTH CAROLINA	5,101	5,429	5,467	5,521	5,571	5,606	.6
SOUTH CAROLINA	2,600	2,813	2,838	2,868	2,902	2,932	1.0
TENNESSEE	3,937	4,180	4,233	4,289	4,333	4,380	1.1
VIRGINIA	4,667	4,989	5,052	5,112	5,177	5,197	.4
WEST VIRGINIA	1,747	1,803	1,833	1,853	1,861	1,878	.9
UNITED STATES	203,810	213,051	214,680	216,400	218,228	220,099	.9

Source: U. S. Bureau of The Census

SELECTED ECONOMIC INDICATORS



Employment growth in other sectors of manufacturing suggests, however, that the net result need not be negative and may actually be beneficial. Within the durable goods industry, for example, special industry machinery employment grew 4.5%. Manufacture of textile machinery is included in this category. Additionally, the primary metals industry while employing a small percentage of total nonagricultural employment, showed employment growth of 13.6% in 1979. Likewise, electric and electronic equipment added 9.2% to their employment roles. The total number of manufacturing jobs added since 1976 is 59,400. It appears that if the historically labor intensive textile industry does gradually move toward a still greater use of capital equipment, there are industries within the State to pick up the slack.

In addition to the manufacturing sector, nonmanufacturing employment in 1979 increased by 4.3%. This was a significantly higher rate than in both the U. S. (3.9%) and the Southeast (2.2%). The increase translated into approximately 32,000 new jobs on the State's employment roles. Leading in this area was the transportation, communication and public utilities sector, recording a 9.2% increase. The finance, insurance and real estate sector showed increased employment of 6.4%, after increasing 5.3% in 1978. Related industries such as trade and services which enjoy spin-off effects from other high growth areas showed employment increases over 1978 and 1979 of 4.7% and 5.3%, respectively.

The most volatile sector of the economy, the construction industry, recorded a 3.7% increase in employment in 1979. An increase in construction employment transcends the entire economy through purchases of durable goods products such as lumber and wood products and through nondurable goods such as textiles for floor coverings. Additionally, the impacts are felt in the service and trade industries from the personal income generated from the increased employment in the construction industry itself, and from the increase in income in the other impacted industries.

OUTLOOK FOR SOUTH CAROLINA

South Carolina enters the decade of the 1980's preparing for an imminent cyclical downturn. While the duration and severity of the recession is still unclear, it appears that the economy of South Carolina will be adversely affected by the national environment. Given the State's manufacturing base, this is to be expected. However, recent structural shifts within the State's economy make the final impact difficult to anticipate.

Durable goods employment has increased as a percent of total manufacturing employment, from 28% in 1974 to 31% in 1979. Theoretically, this increases the susceptibility of the State to a greater degree of cyclical instability. Counterbalancing this is the decrease, since the last recession, in the nondurable goods sector historically vulnerable in recessionary periods. This combination of events may allow the State's economy to escape the harshest consequences. Additionally, a greater overall diversity in the State's economy may temper somewhat the State's expected decline during the recession.

These factors may help our economy but we still expect some losses in employment and real income during the next twelve to eighteen months. As seen in the forecast tables, zero growth in real personal income is expected in 1980 and an actual decline of almost 1% is forecast for 1981. Although these declines are less severe than those expected for the U.S., they will have a depressing effect on consumer spending and will result in very sluggish growth in trade and service employment during the forecast period.

Manufacturing employment is expected to decline by 2.4% in 1980 and over 4% in 1981. The majority of the decline will be in the nondurable sector with employment dropping by about 16,000 by 1981, with most of the decline occurring in the textile industries. Durable goods employment should decline by about 10,000 workers during the same time period. However, total nonagricultural employment should increase slightly in 1980 due to employment gains in the nonmanufacturing sector. Although this sector will grow again in 1981, the gains in nonmanufacturing employment will not be sufficient to offset further declines in manufacturing employment resulting in a 1% decline in total nonagricultural employment in 1981. More detail of the economy is given in the forecast tables.

In the long run the State should perform quite well during the 1980's. South Carolina is ranked 13th in the nation with respect to growth in total employment and is ranked 11th nationally in real personal income growth over the next decade. Regardless of the ensuing economic cycle, South Carolina is expected to continue its tradition of a high growth economy firmly established in the 1960's and 1970's.

FORECASTS OF SOUTH CAROLINA ECONOMY

CATEGORY	1979	1980	1981
Personal Income (Billions)	$20.6	$22.8	$24.6
Real Personal Income (Billions)	$12.6	$12.6	$12.5
Taxable Sales (Billions)	$13.6	$15.5	$16.8
Total Nonagricultural (Thousands)	1177.9	1187.2	1176.1
Manufacturing	399.3	389.6	372.4
Nondurable	277.5	270.3	261.1
Textiles Apparel & Related Products	190.2	183.7	176.9
Chemicals	33.4	33.3	33.0
Other Nondurables	53.9	53.4	51.2
Durable	121.9	119.3	111.3
Machinery	52.7	53.7	51.2
Lumber, Wood & Furniture	21.3	19.5	16.1
Other Durables	47.9	46.1	44.2
Nonmanufacturing	778.6	797.6	803.7
Construction	72.8	71.8	69.3
Transportation, Communication & Public Utilities	53.3	53.8	53.1
Services	152.6	161.1	167.5
Trades	223.1	228.4	231.8
Finance, Insurance & Real Estate	46.6	47.8	48.1
Government	228.3	232.6	231.6
Unemployment Rate (%)	5.0	7.6	8.0

Sources: 1979 Personal Income: United States Department of Commerce, Bureau of Economic Analysis

Taxable Sales: South Carolina Division of Research and Statistical Services

Employment Data: South Carolina Employment Security Commission

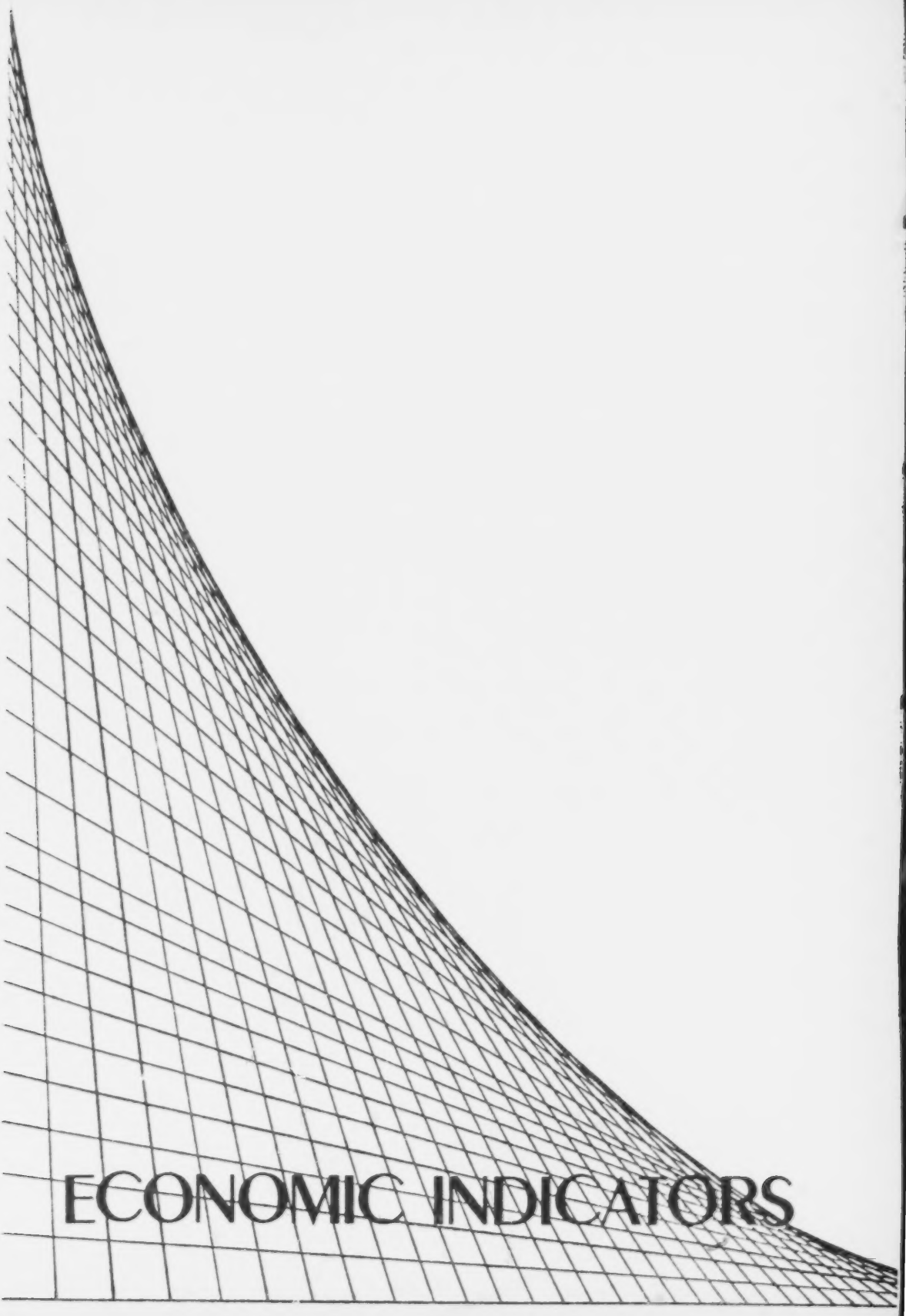
1980-1981 Forecast of SCOPE Econometric Model

FORECASTS OF SOUTH CAROLINA ECONOMY

RATES OF CHANGE

CATEGORY	1978-1979	1979-1980	1980-198
Personal Income	12.0%	10.7%	7.9%
Real Personal Income	3.3	0	-.8
Taxable Sales	8.8	14.0	8.4
Total Nonagricultural Employment	3.5	.8	-.9
Manufacturing	2.1	-2.4	-4.4
Nondurable	1.0	-2.6	-3.4
Textiles, Apparel, & Related Products	-.8	-3.4	-3.7
Chemicals	2.5	-.3	-.9
Other Nondurables	6.7	-.9	-4.1
Durable	4.8	-2.1	-6.7
Machinery	6.7	1.9	-4.7
Lumber, Wood & Furniture	2.4	-8.5	-17.4
Other Durables	3.9	-3.8	-4.1
Nonmanufacturing	4.3	2.4	.8
Construction	3.7	-1.4	-3.5
Transportation, Communication & Public Utilities	9.2	.9	-1.3
Services	5.2	5.6	4.0
Trade	4.8	2.4	1.5
Finance, Insurance & Real Estate	6.2	2.6	.6
Government	2.0	1.9	-.4

Source: 1980-1981 Forecast of SCOPE Econometric Model


ECONOMIC INDICATORS

LABOR FORCE

LABOR FORCE

Labor is one of South Carolina's most important resources. The abundant supply of labor in the South and in South Carolina has historically provided a major locational advantage, responsible for attracting many industries as well as future capital investment to the State.

The civilian labor force of South Carolina, defined as persons 16 years of age or older, either employed or unemployed, who are able and willing to work, continued to grow in 1979 by 15,000 over 1978 to average 1,306,000 for the year. Despite much economic uncertainty at the national level, South Carolina's labor force remained strong, buoyed by a record year of capital investment. Total employment averaged 1,241,000 for 1979 increasing by 24,000, and was the highest annual employment level recorded.

SOUTH CAROLINA CIVILIAN LABOR FORCE[1], TOTAL EMPLOYMENT & UNEMPLOYMENT
ANNUAL AVERAGE
(In Thousands)
1976-1979

	1976	1977	1978	1979	Net Change (78-79)	Percent Change (78-79)
Civilian Labor Force	1,248.0	1,275.0	1,291.0	1,306.0	+15.0	+1.2
Total Employment	1,161.0	1,183.0	1,217.0	1,241.0	+24.0	+2.0
Total Unemployment	87.0	92.0	74.0	65.0	-9.0	-12.2
Percent of Labor Force	6.9	7.2	5.7	5.0	--	--

[1]Labor force data are projected from the 1979 Current Population Survey (CPS) benchmark and have been adjusted for commuting and dual job holding. Consequently, the data represent persons by place of residence and are not strictly comparable to the establishment based nonfarm wage and salary industry employment series. Workers involved in labor disputes are included among the employed in the Labor Force Data Series.

SOURCE: South Carolina Employment Security Commission.

The numbers of those unemployed, those seeking work who were unable to find it, averaged 65,000 workers during 1979, a drop of 9,000 from 1978. There are three types of unemployment: cyclical, frictional, and technological. Cyclical unemployment involves a loss of jobs due to fluctuations in the economy as a result of downward trends in the business cycle. Frictional unemployment refers to those persons who are changing careers or "in-between jobs" rather than as a result of lack of job opportunities. As new methods of production and/or operations are introduced, workers are displaced, resulting in technological unemployment, the third category.

The unemployment rate is the ratio of those persons unemployed relative to the total labor force. During 1979, the unemployment rate fluctuated within a narrow range from a low of 4.6% in May to a high of 5.3% in February. The annual average unemployment rate was 5.0%, which compared favorably to the higher 5.7% recorded in 1978. In comparison, the U. S. Unemployment rate was 5.8% in 1979 and 6% in 1978.

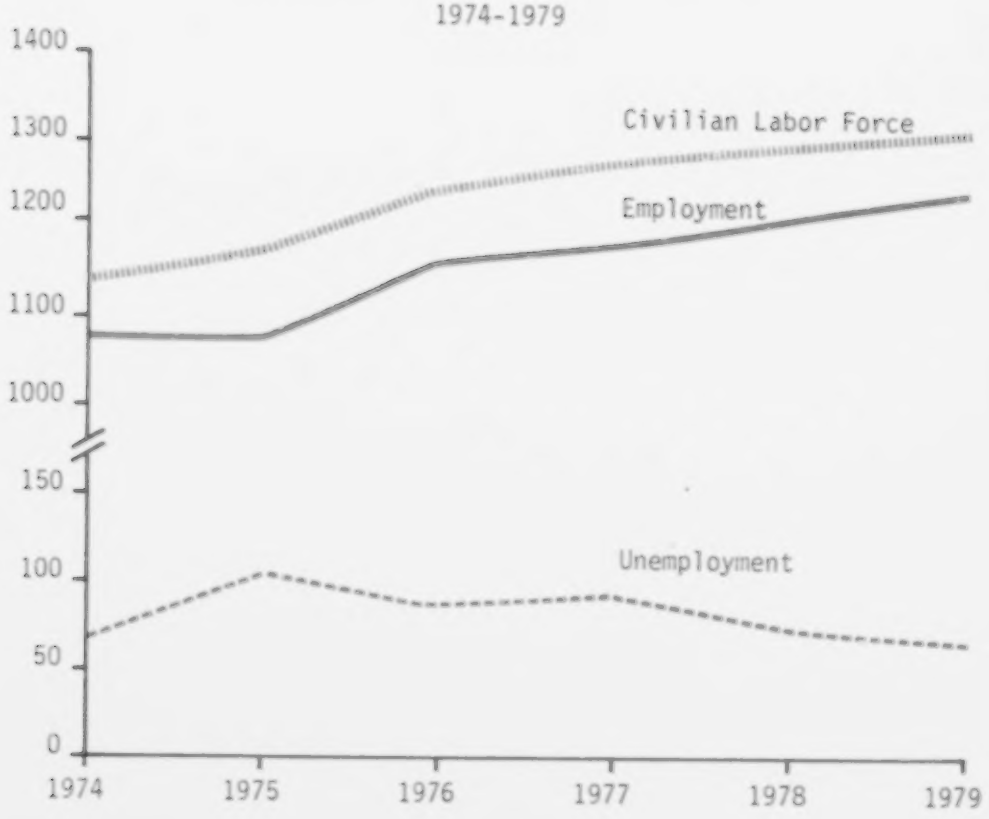
SOUTH CAROLINA CIVILIAN LABOR FORCE

1974-1979

	Civilian Labor Force	Employment	Unemployment
1979	1,306.0	1,241.0	65.0
1978	1,291.0	1,217.0	74.0
1977	1,275.0	1,183.0	92.0
1976	1,248.0	1,161.0	87.0
1975	1,178.0	1,075.0	103.0
1974	1,145.0	1,077.0	68.0

SOUTH CAROLINA CIVILIAN LABOR FORCE

1974-1979



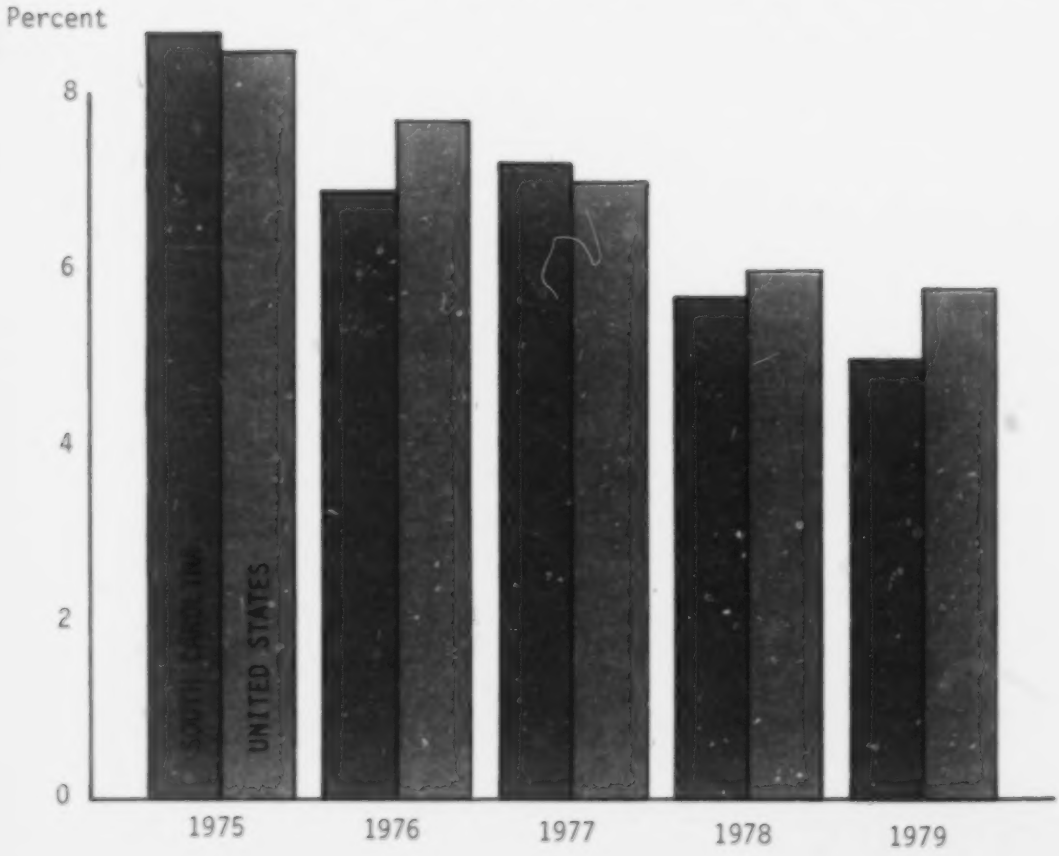
S. C. Unemployment Rate 1970-1979	
1979	5.0%
1978	5.7
1977	7.2
1976	6.9
1975	8.7
1974	5.9
1973	4.1
1972	4.4
1971	5.4
1970	4.8

U. S. Unemployment Rate 1970-1979	
1979	5.8%
1978	6.0
1977	7.0
1976	7.7
1975	8.5
1974	5.6
1973	4.9
1972	5.6
1971	5.9
1970	4.9

SOUTH CAROLINA VERSUS UNITED STATES

UNEMPLOYMENT RATE

1975-1979



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LABOR FORCE STATUS OF THE CIVILIAN NONINSTITUTIONAL POPULATION

16 YEARS AND OVER

SOUTH CAROLINA 1979 ANNUAL AVERAGES

	Civilian Labor Force	Employment	Unemployment	Rate
TOTAL	1,306,000	1,241,000	65,000	5.0
Men	730,000	709,000	22,000	3.0
Women	575,000	532,000	44,000	7.6
Men (20 years and over)	677,000	659,000	18,000	2.7
Women (20 Years and over)	519,000	488,000	31,000	6.0
Both Sexes (16-19 years)	110,000	93,000	16,000	14.5
WHITE	970,000	928,000	42,000	4.4
Men	546,000	532,000	14,000	2.5
Women	424,000	395,000	28,000	6.7
Men (20 years and over)	509,000	496,000	12,000	2.4
Women (20 years and over)	379,000	359,000	20,000	5.3
Both Sexes (16-19 years)	83,000	73,000	11,000	13.3
BLACK AND OTHER	336,000	313,000	23,000	6.9
Men	184,000	176,000	8,000	4.3
Women	152,000	136,000	15,000	10.1
Men (20 years and over)	169,000	163,000	6,000	3.6
Women (20 years and over)	141,000	128,000	11,000	7.8
Both Sexes (16-19 years)	25,000	20,000	5,000	20.0

Note: Due to rounding, figures may not add.

Source: South Carolina Employment Security Commission.
This information is based on data collected for the Bureau of Labor Statistics by the Bureau of the Census as part of the Current Population Survey (CPS).

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Nonagricultural Employment: 1979 in Review

Nonagricultural employment[1] in the State continued to expand during 1979, although the rate of growth slowed from that of 1978. The 1979 annual average surpassed the 1978 figure by 40,400 (up 3.6%), whereas a year earlier the 1978 average topped the 1977 level by 55,800 (up 5.2%). Over-the-year gains took place in all major industry divisions, highlighted by growth in manufacturing, trade, and services.

Manufacturing employment increased 8,100 or 2.1% over the 1978 average with the bulk of the gains in durable goods (5,500), especially additions in nonelectrical machinery, and electric and electronic equipment. The big story in nondurable goods was continued layoffs in textiles which have tempered job additions among the other soft goods industries.

Trade employment expanded by 10,100 (up 4.7%) on the strength of a 7,200 boost in the retail sector, concentrated in eating and drinking places, and food stores. General merchandise stores suffered an over-the-year loss of 300 with cutbacks scattered among the larger retail establishments. An expansion of 7,700 in services was widespread among the major industry groups, with substantial gains in business and health services.

Elsewhere in the nonmanufacturing sector, employment in the transportation and public utilities industries rose 4,500 (up 9.2%) above the 1978 average, spurred by growth in trucking and warehousing, and electric, gas and sanitary services. Construction increased 2,600 (up 3.7%), and finance, insurance and real estate advanced 2,800 (up 6.4%). Government experienced a 4,400 (up 2.0%) average rise from 1978 to 1979 with gains centered in the State school and nonschool, and local school sectors. Federal government payrolls were trimmed by 400 workers during the period.

The following tables provide an insight into the growth and change occurring in the labor force.

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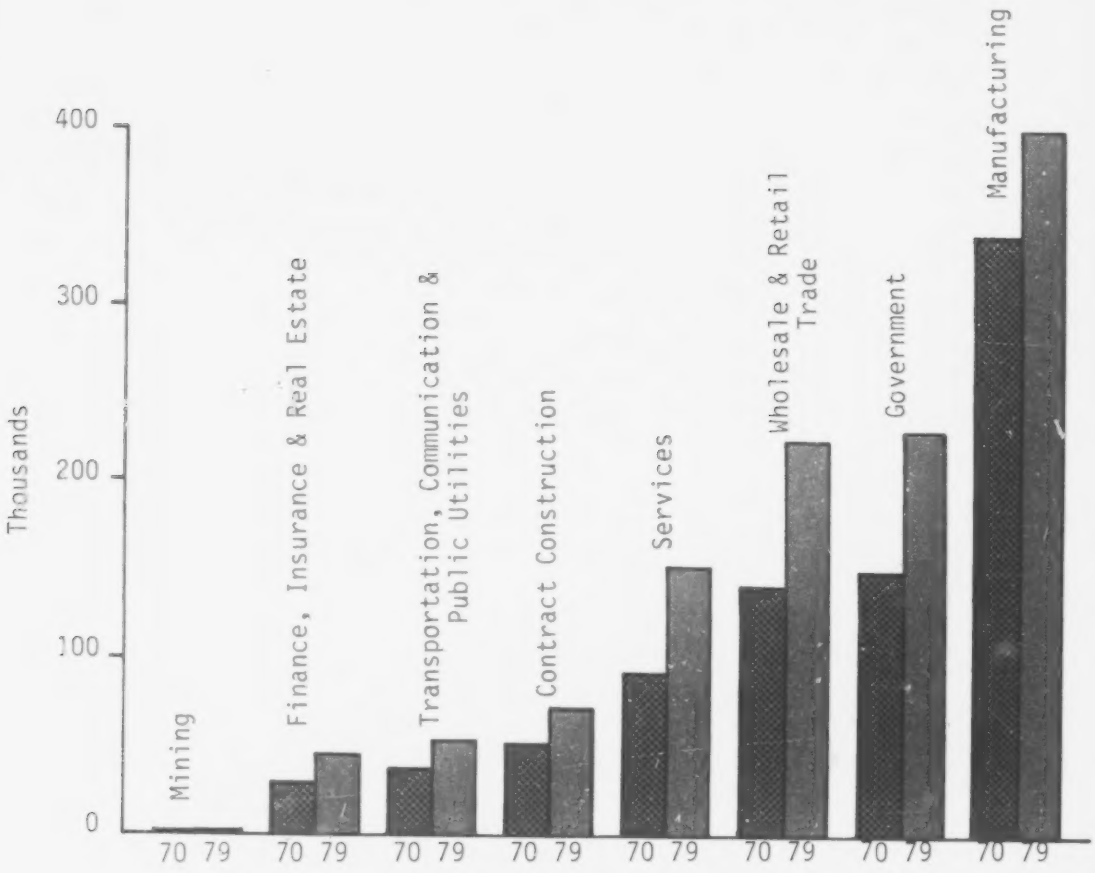
[1]Nonagricultural employment is based on employment by establishment or place of work and does not include agricultural workers and the self-employed, unpaid family members, domestic workers and workers involved in labor disputes unlike total employment which includes all of the above.

NONAGRICULTURAL EMPLOYMENT BY MAJOR CATEGORY IN SOUTH CAROLINA

1970 and 1979

Annual Averages



Nonagricultural Employment By Major Industrial Division
and Group in South Carolina
1978 and 1979
(In Thousands)

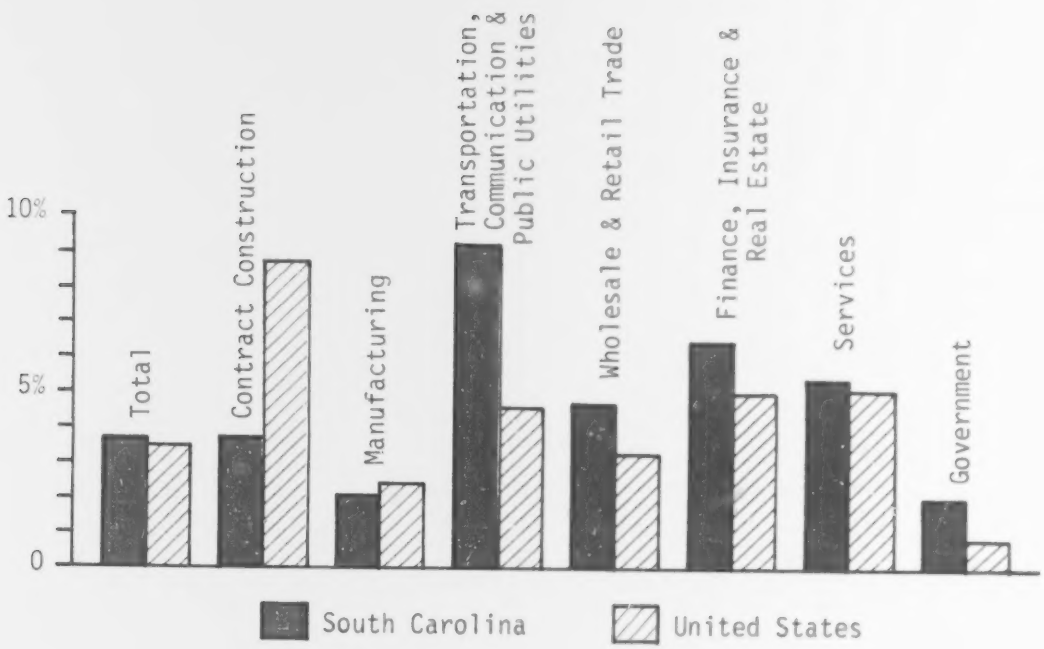
Industry	1978	1979	Change Over The Year	
			Net	Percent
Total Nonagricultural	1137.5	1177.9	40.4	3.6
Nonmanufacturing	746.3	778.6	32.3	4.3
Mining	1.8	1.9	.1	5.6
Construction	70.2	72.8	2.6	3.7
Transportation, & Public Utilities	48.8	53.3	4.5	9.2
Railroad	4.0	3.9	-.1	-2.5
Trucking & Warehousing	14.3	15.5	1.2	8.4
Other Transportation Services	5.5	6.1	.6	10.9
Communication	13.4	13.9	.5	3.7
Electric, Gas & Sanitary Services	11.6	13.8	2.2	19.0
Wholesale & Retail Trade	212.9	223.0	10.1	4.7
Wholesale Trade	45.9	48.8	2.9	6.3
Retail Trade	167.0	174.2	7.2	4.3
General Merchandising	26.6	26.3	-.3	-1.1
Apparel & Accessory Stores	9.6	10.3	.7	7.3
Eating & Drinking Places	41.3	45.2	3.9	9.4
Finance, Insurance & Real Estate	43.8	46.6	2.8	6.4
Banking & Credit Agencies	19.5	20.7	1.2	6.2
Services & Miscellaneous	144.9	152.6	7.7	5.3
Total Government	223.9	228.3	4.4	2.0
Total Federal	35.8	35.4	-.4	-1.1
Total State & Local	188.1	192.9	4.8	2.6
Manufacturing	391.2	399.3	8.1	2.1

Source: South Carolina Employment Security Commission

PERCENT CHANGE IN MAJOR SECTORS OF NONAGRICULTURAL EMPLOYMENT

SOUTH CAROLINA[1] AND UNITED STATES[2]

1978-1979



Sources:

[1]South Carolina Employment Security Commission

[2]United States Department of Labor, Bureau of Labor Statistics. Employment by establishment or place-of-work basis.

Percentage Changes In Employment
In Nonagricultural Industries
For South Carolina and the United States
1978-1979

Industry	South Carolina[1] Percent Change (1978-1979)	United States[2] Percent Change (1978-1979)
Total Nonagricultural	3.6	3.5
Nonmanufacturing	4.3	3.9
Contract Construction	3.7	8.7
Transportation, Communication & Public Utilities	9.2	4.6
Services	5.3	5.1
Trade	4.7	3.3
Finance, Insurance, & Real Estate	6.4	5.0
Government - Federal	-1.1	.7
Government - State & Local	2.6	.9
Manufacturing	2.1	2.4
Nondurable Manufacturing	1.0	.6
Food & Kindred Products	4.1	-.3
Textiles	-.7	-.9
Apparel	-1.0	-1.5
Paper Products	.7	1.9
Printing & Publishing	5.8	4.2
Chemicals	2.5	1.5
Durable Manufacturing	4.7	3.6
Lumber & Wood Products	1.9	.9
Furniture	2.0	-.8
Stone, Clay & Glass	-1.7	1.8
Fabricated Metals	4.3	3.2
Nonelectrical Machinery	5.4	6.2
Electrical Machinery	9.2	5.4
Instruments	0.0	5.6

Sources: [1]South Carolina Employment Security Commission

[2]United States Department of Labor, Bureau of Labor Statistics. Employment by establishment or place-of-work basis.

Nonagricultural Employment
In South Carolina and The United States
(Percent of Total Nonagricultural Employment)

1979

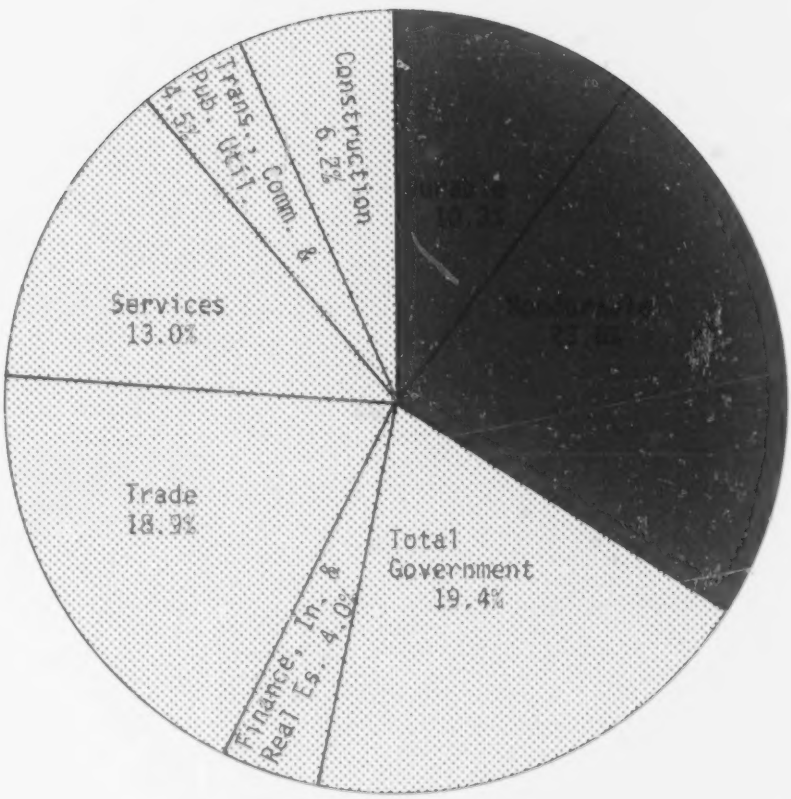
Industry	South Carolina[1]	United States[2]
Total Nonagricultural	100.0%	100.0%
Nonmanufacturing	66.1	76.5
Contract Construction	6.2	5.2
Transportation, Communication & Public Utilities	4.5	5.8
Services	13.0	19.0
Trade	18.9	22.5
Finance, Insurance & Real Estate	4.0	5.5
Government - Federal	3.0	3.1
Government - State & Local	16.4	14.4
Manufacturing	33.9	23.5
Nondurable Manufacturing	23.6	9.3
Food & Kindred Products	1.3	1.9
Textile Mill Products	12.1	1.0
Apparel	4.1	1.5
Paper Products	1.2	.8
Printing & Publishing	.6	1.4
Chemicals	2.8	1.2
Other Nondurable	1.5	1.5
Durable Manufacturing	10.3	14.2
Lumber & Wood Products	1.4	.8
Furniture	.4	.5
Stone, Clay & Glass	1.0	.8
Fabricated Metals	1.2	1.9
Nonelectrical Machinery	2.7	2.8
Electrical Machinery	1.8	2.4
Instruments	.5	.8
Other Durable	1.4	4.2

Sources: [1]South Carolina Employment Security Commission

[2]United States Department of Labor, Bureau of Labor Statistics. Employment by establishment or place-of-work basis.

DISTRIBUTION OF NONAGRICULTURAL EMPLOYMENT IN SOUTH CAROLINA

1979



Manufacturing

Nonmanufacturing

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Nonagricultural Employment in Manufacturing
in South Carolina
Calendar Years
1978 and 1979
(In Thousands)

Manufacturing Industry	1978	1979	Change Over The Year	
			Net	Percent
Total Manufacturing	391.2	399.3	8.1	2.1
Nondurable Goods	274.8	277.5	2.7	1.0
Food & Kindred Products	14.5	15.1	.6	4.1
Textile Mill Products	143.4	142.4	-1.0	-.7
Apparel & Other Textile Products	48.3	47.8	-.5	-1.0
Paper & Allied Products	13.9	14.0	.1	.7
Printing & Publishing	6.9	7.3	.4	5.8
Chemicals & Allied Products	32.6	33.4	.8	2.5
Other Nondurables[1]	15.3	17.5	2.2	14.4
Durable Goods	116.3	121.8	5.5	4.7
Lumber & Wood Products	15.9	16.2	.3	1.9
Furniture & Fixtures	5.0	5.1	.1	2.0
Stone, Clay & Glass	11.7	11.5	-.2	-1.7
Primary Metal Industries	5.9	6.7	.8	13.6
Fabricated Metal Products	14.0	14.6	.6	4.3
Nonelectrical Machinery	29.9	31.5	1.6	5.4
Special Industry Machinery	8.8	9.3	.5	5.7
Electric & Electronic Equipment	19.5	21.3	1.8	9.2
Instruments & Related Products	5.7	5.7	0.0	0.0
Other Durables[2]	8.8	9.2	.4	4.5

[1]Includes tobacco manufacturing; petroleum and coal products; rubber and plastic products; and leather and leather products.

[2]Includes transportation equipment and miscellaneous manufacturing.

Source: South Carolina Employment Security Commission. Industries are classified according to the Standard Industrial Classification Manual, 1972.

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PERSONAL INCOME

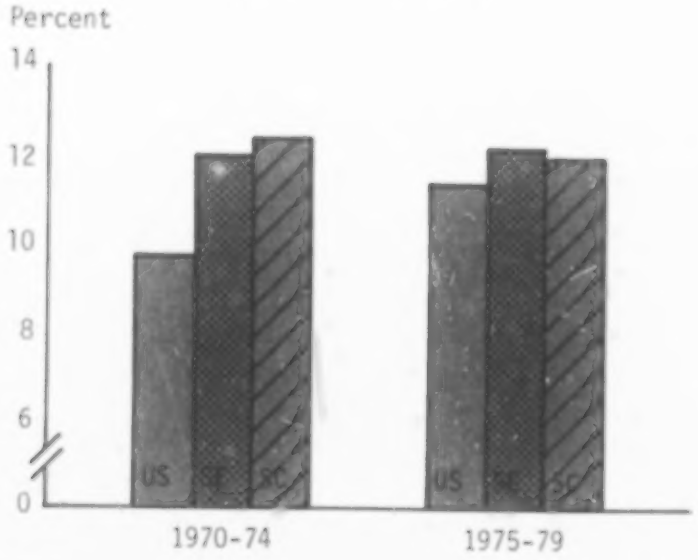
PERSONAL INCOME

Personal income data for the 50 states, available from the Bureau of Economic Analysis, U. S. Department of Commerce, serves as one of the most comprehensive measures of economic activity. It is used for comparative purposes on a wide-scale industrial and geographical basis and also serves as the best indicator of economic welfare at the State and local level.

Personal income of an area is the aggregate of income received by all individuals in a given period. Personal income includes private and government wage and salary disbursements, other labor income (such as employee' contributions to private social programs), farm and nonfarm proprietor's income, property income (such as dividends, interest, and rent) and transfer payments from government and business such as Social Security benefit pensions and unemployment insurance less personal contributions for social insurance.

The vitality of an area's economic structure can be measured by analyzing personal income by industry and approximating the size of consumer and industrial markets. This type of analysis aids in examining the "import" and "export" activities of an area as well as highlighting the fast and slow-growing industries. This measure facilitates inter-regional comparisons as well.

PERCENT CHANGE IN TOTAL PERSONAL INCOME
UNITED STATES, SOUTHEAST AND SOUTH CAROLINA
1970-74 and 1975-79



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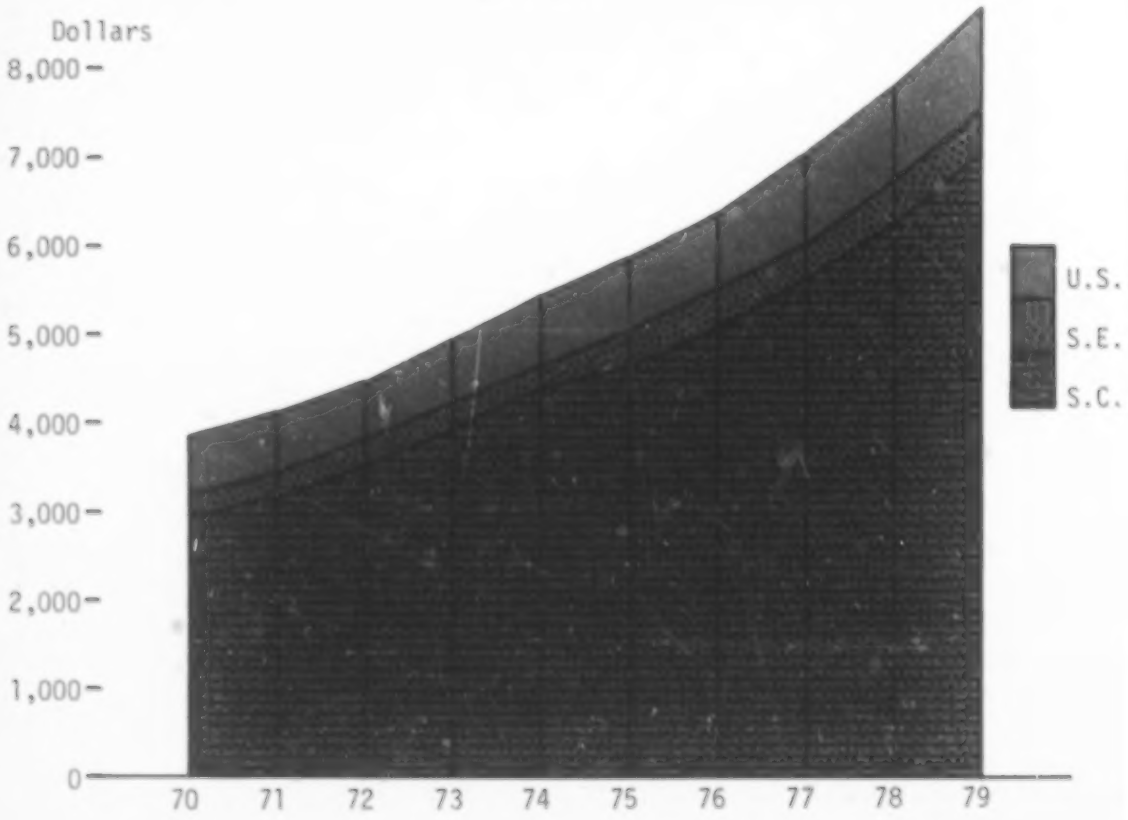
By examining per capita income of an area, which is total personal income divided by the resident population, it is possible to estimate the economic welfare of the residence of an area and the capacity of the area's economy to support additional growth and development.

Since 1970 growth in personal income in South Carolina has kept pace with that of the Southeast. During this period, personal income in South Carolina and the Southeast region increased 169% and 168%, respectively. Personal income in the United States grew only 141% allowing the State and the Southeast to continue to close the gap between per capita income in the State and region and that of the nation. The following tables highlight the growth of personal income in both the State and the nation. A decade analysis is also provided displaying the State's progress throughout the 1970's.

PER CAPITA PERSONAL INCOME IN THE UNITED STATES,
SOUTHEAST AND SOUTH CAROLINA
1970-1979



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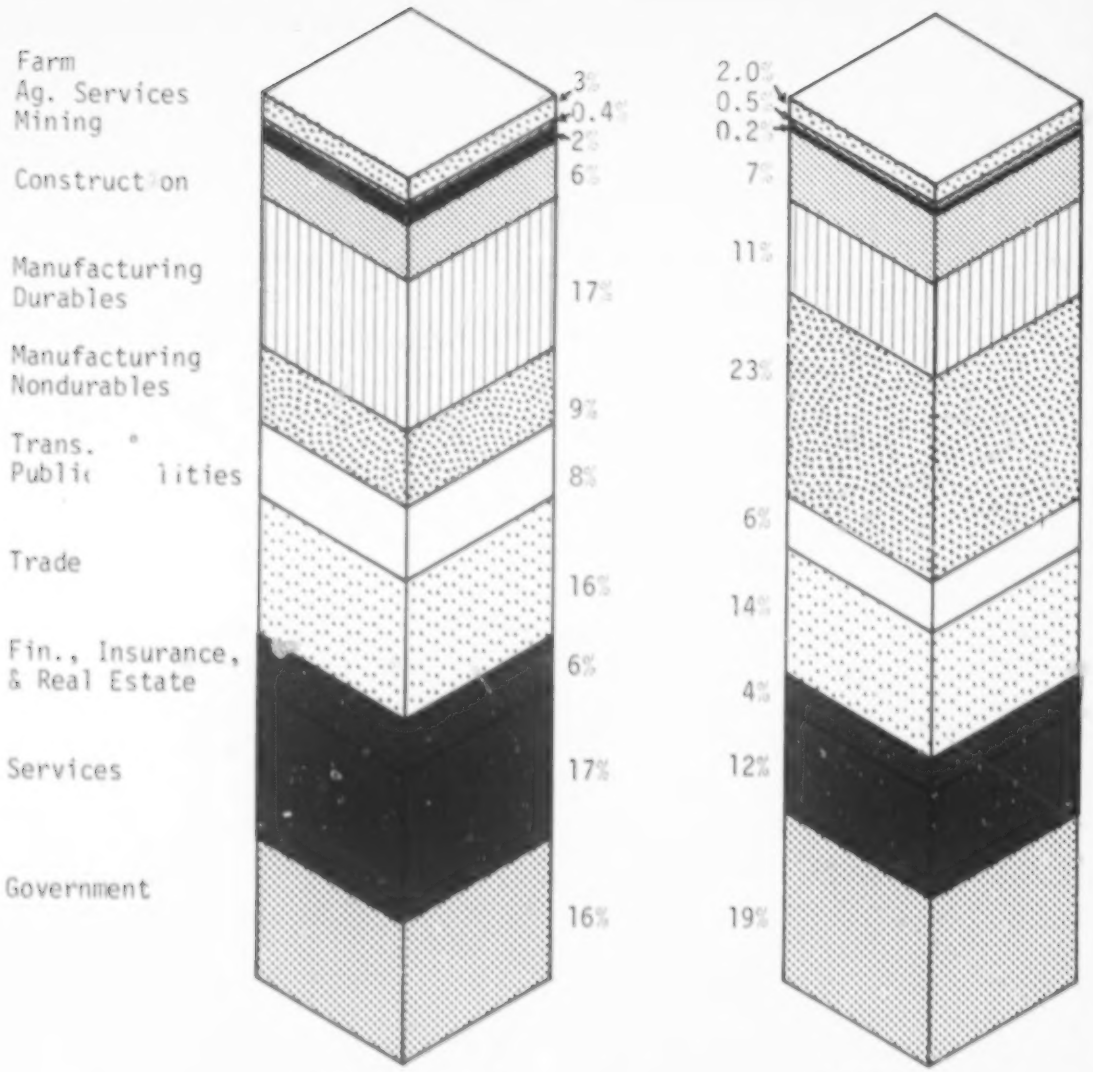
DISTRIBUTION OF LABOR AND PROPRIETOR'S INCOME
IN THE UNITED STATES AND SOUTH CAROLINA

1979



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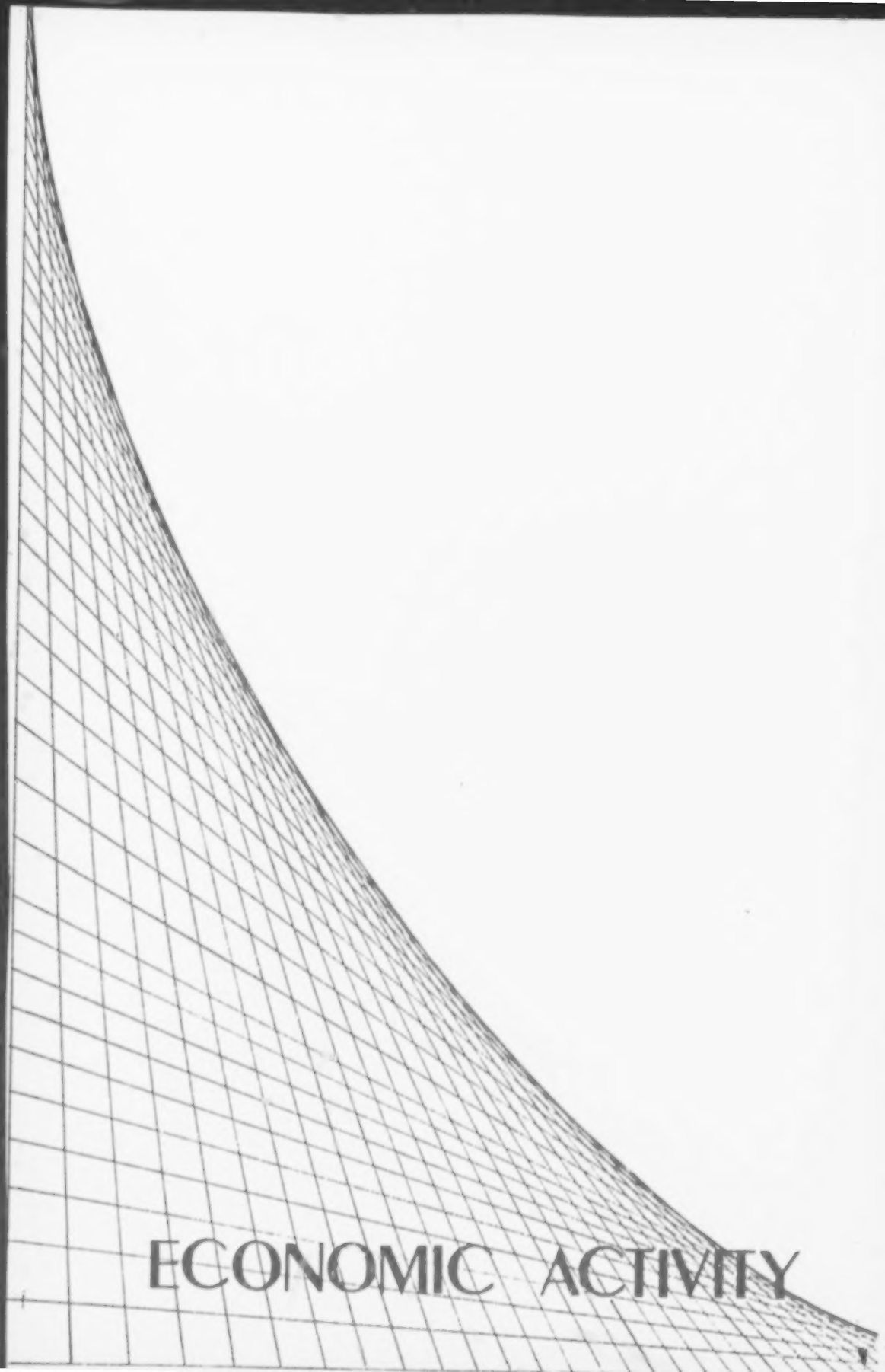
ECONOMIC ACTIVITY

Total Personal Income
United States, Southeast and South Carolina
1970-1979
(Millions of Dollars)

Calendar Year	United States	Southeast	South Carolina	Percent Change U.S.	S.E.	S.C.
1970	$ 793,485	$141,055	$ 7,668			
1971	851,952	154,489	8,382	7.4%	9.5%	9.3%
1972	935,463	174,173	9,452	9.8	12.7	12.8
1973	1,045,303	198,045	10,775	11.7	13.7	14.0
1974	1,147,257	220,801	12,229	9.8	11.5	13.5
1975	1,248,631	239,863	13,133	8.8	8.6	7.4
1976	1,374,189	267,224	14,731	10.1	11.4	12.2
1977	1,522,766	296,720	16,260	10.8	11.0	10.4
1978	1,709,616	335,939	18,357	12.3	13.2	12.9
1979	1,915,999	378,639	20,605	12.1	12.7	12.2

Source: United States Department of Commerce, Bureau of Economic Analysis

Real Personal Income
United States, Southeast and South Carolina
1970-1979
(Millions of Dollars)

Calendar Year	United States	Southeast	South Carolina	Percent Change U.S.	S.E.	S.C
1970	$ 857,822	$152,492	$ 8,290			
1971	881,938	159,927	8,677	2.8%	4.9%	4.7%
1972	935,463	174,173	9,452	6.1	8.9	8.9
1973	990,809	187,720	10,213	5.9	7.8	8.1
1974	980,562	188,719	10,452	-1.0	.5	2.3
1975	987,841	189,765	10,390	.7	.6	-.6
1976	1,034,781	201,223	11,093	4.8	6.0	6.8
1977	1,084,591	211,339	11,581	4.8	5.0	4.4
1978	1,140,504	224,109	12,246	5.2	6.0	5.7
1979	1,173,300	231,867	12,618	2.9	3.5	3.0

Source: United States Department of Commerce, Bureau of Economic Analysis

Per Capita Personal Income
United States, Southeast, and South Carolina
1970-1979
(Dollars)

Calendar Year	United States	Southeast	South Carolina	Percent Change U.S.	Percent Change S.E.	Percent Change S.C.
1970	$3,893	$3,208	$2,951			
1971	4,132	3,458	3,169	6.1%	7.8%	7.4%
1972	4,493	3,829	3,519	8.7	10.7	11.0
1973	4,981	4,279	3,957	10.9	11.8	12.4
1974	5,428	4,692	4,407	8.9	9.7	11.4
1975	5,861	5,031	4,665	8.0	7.2	5.9
1976	6,401	5,543	5,179	9.2	10.2	11.0
1977	7,038	6,085	5,651	10.0	9.8	9.1
1978	7,840	6,810	6,292	11.4	11.9	11.3
1979	8,706	7,589	7,027	11.0	11.4	11.7

Source: U. S. Department of Commerce, Bureau of Economic Analysis

Real Per Capita Personal Income
United States, Southeast, and South Carolina
1970-1979
(Dollars)

Calendar Year	United States	Southeast	South Carolina	Percent Change U.S.	Percent Change S.E.	Percent Change S.C.
1970	$4,209	$3,468	$3,190			
1971	4,277	3,580	3,281	1.6%	3.2%	2.9%
1972	4,493	3,829	3,519	5.1	7.0	7.3
1973	4,721	4,056	3,751	5.1	5.9	6.6
1974	4,639	4,010	3,767	-1.7	-1.1	.4
1975	4,637	3,980	3,691	-.04	-.7	-2.0
1976	4,820	4,174	3,900	3.9	4.9	5.7
1977	5,013	4,334	4,025	4.0	3.8	3.2
1978	5,230	4,543	4,197	4.3	4.8	4.3
1979	5,331	4,647	4,303	2.0	2.3	2.5

Source: U. S. Department of Commerce, Bureau of Economic Analysis

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Labor and Proprietors Income By Industry
In The United States and South Carolina
1978 and 1979
(In Millions of Dollars)

Industry	United States			South Carolina		
	1978	1979	Percent Change	1978	1979	Percent Change
Farm	$ 33,188	$ 38,796	16.9%	$ 320	$ 390	21.7%
Agricultural Services Forestry, Fishing & Other	5,455	6,441	18.1	65	76	17.3
Mining	20,552	24,936	21.3	25	29	16.0
Construction	79,872	91,412	14.4	966	1,061	9.8
Manufacturing	345,771	385,190	11.4	4,867	5,462	12.2
Durables	224,174	251,953	12.4	1,530	1,761	15.1
Nondurables	121,597	133,237	9.6	3,337	3,701	10.9
Transportation & Public Utilities	100,749	114,336	13.5	873	1,031	18.1
Wholesale & Retail Trade	218,109	242,740	11.3	2,071	2,321	12.1
Finance, Insurance, & Real Estate	76,207	85,839	12.6	605	677	11.9
Services	221,951	250,511	12.9	1,761	1,994	13.2
Government	216,896	233,125	7.5	2,923	3,153	7.9
Federal	72,532	77,976	7.5	1,266	1,325	4.6
State & Local	144,364	155,149	7.5	1,657	1,829	10.4

SOURCE: United States Department of Commerce, Bureau of Economic Analysis.

Distribution of Labor & Proprietor's Income
In The United States and South Carolina
1979

	United States	South Carolina
Total	100.0%	100.0%
Farm	3.0	2.0
Agricultural Services	0.4	0.5
Mining	2.0	0.2
Construction	6.0	7.0
Manufacturing	26.0	34.0
Durables	17.0	11.0
Nondurables	9.0	23.0
Transportation & Public Utilities	8.0	6.0
Trade	16.0	14.0
Finance, Insurance, Real Estate	6.0	4.0
Services	17.0	12.0
Government	16.0	19.0

Source: United States Department of Commerce, Bureau of Economic Analysis

AGRICULTURE

THE AGRICULTURAL SECTOR: UNITED STATES AND SOUTH CAROLINA

The Nation

The farmer has been unable to escape recent inflationary pressures. On the positive side, inflation has aided the farmer by allowing him to purchase land, capital and equipment which can be retired with inflation-cheapened dollars. On the negative side, the most recent surge in costs in 1979, and projected for most of 1980, has taken a heavy toll. While agricultural prices have closely paralled the overall inflation rate of the nation, costs have increased much more steeply, tightening the farmer's cash flow and his debt/equity position. If recent trends continue the result will be an accelerated exodus of farmers from the agricultural sector.

In 1979, gross farm income reached a new high of $146 billion, a 16% increase, while net farm income registered $32 billion, slightly below the 1973 record. However, these impressive figures were offset by production cost increases of 16%. This translates into a parity ratio for 1979 of 72 as in the previous year. The parity ratio is an index comparing current prices received by farmers to prices paid for factors used in the production of final farm output. It represents a comparison between farmers' current profit margins and those of a base period of 1910-1914. The final analysis for 1979 suggests that the farmer was able to stay only even with 1978 in his uphill battle to survive.

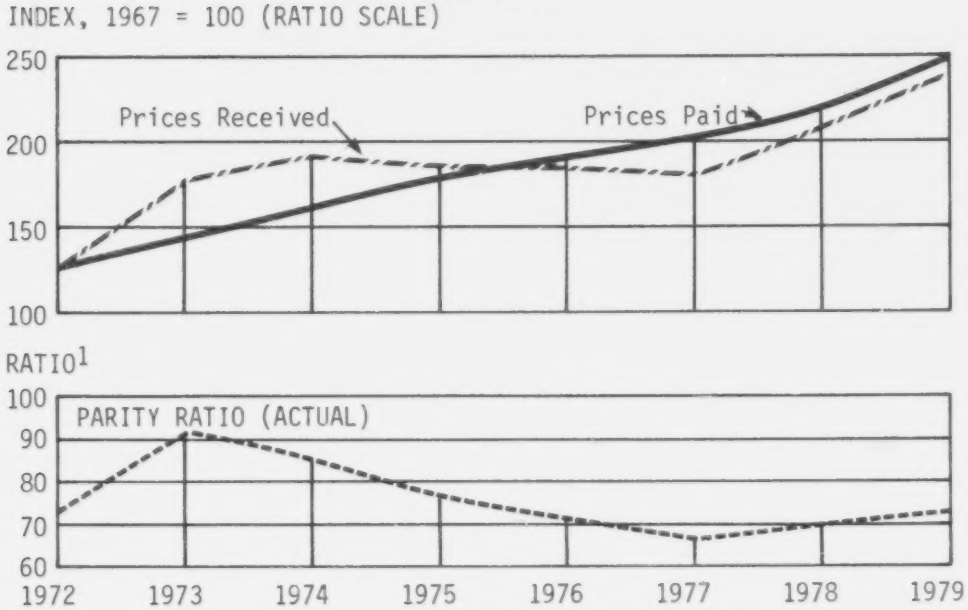
FARM INCOME IN THE UNITED STATES
(Billions of Dollars)
1975-1979

	1975	1976	1977	1978	1979	Percent Change 1978-1979
Gross Income	$100.3	$101.8	$108.5	$126.0	$146.0	15.9%
Marketing Receipts	88.2	94.8	95.6	111.1	130.0	17.0
Other Income[1]	12.1	7.0	12.9	14.9	16.0	7.4
Production Expenses	75.9	83.1	88.8	98.1	114.0	16.2
Net Farm Income (Current Dollars)	24.5	18.7	19.8	27.9	32.0	14.7
Net Farm Income (1967 Dollars)	15.2	11.0	10.9	14.3	14.7	2.8

[1] Includes inventory value changes, direct government payments, and nonmoney and other income items.

SOURCE: U. S. Department of Agriculture

PRICES RECEIVED AND PAID BY FARMERS
IN THE UNITED STATES
1972-1979



[1]RATIO OF INDEX OF PRICES RECEIVED TO INDEX OF PRICES PAID, INTEREST, TAXES, AND WAGE RATES, ON 1910-14=100 BASE.

Period	Prices Received By Farmers			Prices Paid By Farmers			Parity Ratio[1]	
	All Farm Products	Crops	Livestock and Products	All Items, Interest, Taxes, and Wage Rates	Family Living Items	Production Items	Actual	Adjusted[2]
	Index, 1967=100							
1972	125	114	136	125	123	121	74	79
1973	179	175	183	144	133	146	91	94
1974	192	224	165	164	151	166	86	87
1975	185	201	172	180	166	182	76	76
1976	186	197	177	192	176	193	71	72
1977	183	192	175	202	(3)	200	66	68
1978	210	203	217	219	(3)	217	70	72
1979	241	223	257	250	(3)	248	71	72

[1]Percentage ratio of index of prices received by farmers to index of prices paid, interest, taxes, and wage rates on 1910-14=100 base.
[2]The adjusted parity ratio reflects Government payments made directly to farmers.
[3]Index discontinued. Consumer price index (Department of Labor) substituted in calculating total prices paid beginning January 1977.
Source: Department of Agriculture

Nationally, farm employment increased only slightly. Total agricultural crop production in the U. S. registered bumper yields. Unfortunately, the good harvests in 1979 did not keep retail food prices from escalating. In 1979, the Consumer Price Index increased 11% compared to 10% in 1978 with the food component up 11% in 1979 and 19% in 1978. Food composes approximately 20% of the CPI a further reflection of the importance of the agricultural sector in the economy. If prices of retail food could be slowed, the burden of inflation on the entire nation would be eased considerably. Unfortunately, although food prices advanced significantly, the farmer was not the main beneficiary of the 1979 price increases. Roughly 60% of the rise in food prices accrued to marketing and food processing activities, thus allowing little gain for the farmer to counteract the high cost of production.

CHANGES IN FOOD PRICES
FOR 1979
MEASURED BY THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS
(1967 = 100)

	1979 Average Index	1979 Average Percent Change from 1978
All Items	217.4	11.3%
Food and Beverages	228.5	10.8
Food	234.5	10.9
Food At Home	232.9	10.8
Cereals and Bakery Products	220.1	10.1
Meats, Poultry, Fish and Eggs	234.2	14.6
Dairy Products	207.1	11.6
Fruits and Vegetables	230.0	8.0
Sugar and Sweets	227.6	7.8
Fats and Oils	226.3	8.0
Nonalcoholic Beverages	357.8	5.0
Other Prepared Foods	208.5	10.1
Food Away From Home	242.9	11.2

Source: U. S. Department of Labor, Bureau of Labor Statistics

On the brighter side, one advantage enjoyed by most farmers in 1979 was the continuing trend of appreciating farmlands. A 15% increase occurred last year easing somewhat the high debt burden carried by most farmers. In addition, 1979 exports showed a 17% gain over 1978 reversing the trend of the early 1970's. United States agricultural exports should continue to hold a prominent position in world markets barring any international conflicts.

South Carolina

Following recent history, the number of farms in South Carolina continued to decline, dropping in 1979 by 2.8% to 35,000. Total farm acreage also decreased by 1.5%, from 6.6 million acres in 1978 to 6.5 million in 1979. However, the average farm size increased to 186 acres from 183 acres the previous year.

NUMBER OF FARMS AND LAND IN FARMS
1976-1980

	Number of Farms (Thousands)		Land-In-Farms (Thousand Acres)		Average Size of Farm (Acres)	
Year	Old Definition	New Definition	Old Definition	New Definition	Old Definition	New Definition
			South Carolina			
1976	45	36	7,700	6,800	171	189
1977	45	36	7,700	6,700	171	186
1978	43	36	7,500	6,600	174	183
1979	**	35	**	6,500	**	186
1980*	**	35	**	6,500	**	186
			United States			
1976	2,738	2,454	1,078,263	1,059,148	394	432
1977	2,706	2,409	1,075,003	1,054,798	397	438
1978	2,672	2,370	1,072,053	1,052,018	401	444
1979	**	2,333	**	1,049,063	**	450
1980*	**	2,309	**	1,046,713	**	453

* Preliminary
** Series discontinued

Source: United States Department of Agriculture, South Carolina Crop and Livestock Reporting Service

The definition of a farm was changed in December, 1978 by the South Carolina Crop and Livestock Reporting Service to include only places which have annual sales of agricultural products of $1,000 or more. The old definition included places of ten or more acres that had annual sales of agricultural products of $50 or more and places of less than ten acres that had annual sales of $250 or more.

TOTAL PRODUCTION OF LEADING FARM INCOME-PRODUCING COMMODITIES
IN SOUTH CAROLINA
1979

Eggs Produced (thousands)	1,561,000
Soybeans for Beans Production* (thousand bushels)	39,840
Cattle and Calves (inventory numbers)	625,000
Milk Production (thousand pounds)	524,000
Hogs and Pigs (inventory numbers)	650,000
[1] Tobacco Production* (thousand pounds)	117,705
[2] Cotton Production* (bales)	115,000
[3] Peaches Production* (thousand units)	7,146

* Preliminary
[1] Flue-cured tobacco, type 13
[2] 480-pound net weight bales
[3] Production in 48-pound equivalents. Utilized production.

Source: United States Department of Agriculture, South Carolina Crop and Livestock Reporting Service

South Carolina experienced a bountiful year in major crop production for 1979.

* Corn, hay crops and late soybeans produced yields at record levels despite the unusual weather pattern of 1979. Even with the cooler temperatures and rains combining to retard crop progress during the early part of the growing season, the value of South Carolina's agricultural production increased for most of its major crops. The increase in total value of production in 1979 was due mainly to higher prices for wheat and corn.

* The 1979 soybean crop topped all previous records with most acres harvested, highest yield and largest production ever recorded in South Carolina. Acres harvested totaled 1.66 million acres, 13% above last year's previous high. The record 24.0 bushels per acre compared to the 1969 record of 22.5, yielded a total of 39,840,000 bushels.

* Corn for grain crop with a yield of 80 bushels per acre was also a record high. Acreage harvested for grain at 509,000 continued to decrease, but with the high yield per acre, a total of 40,720,000 bushels was produced, the second highest of record.

* The State's peach production amounted to 350 million pounds, the largest output since 1968.

* The 1979 wheat crop was harvested from 109,000 acres and production at 3,597,000 bushels was 40 percent above the previous year.

* Cotton production at 115,000 bales was the same as a year earlier. The crop was harvested from 111,000 acres, 13,000 acres more than last year. Yield, at 497 pounds per acre, dropped 65 pounds from the 1978 record but was the second largest on record

OUTLOOK

Prospects for the farmers in the State do not appear favorable in 1980. Due mainly to the forecasted recession and high levels of inflation, farmers may bear a large share of the burden of the expected downturn.

Recent forecasts anticipate a 20% reduction in net farm income nationwide in 1980. This is primarily due to an expected bumper crop while demand may falter somewhat if the forecasted recession manifests itself. Worsening the situation, production costs should continue to escalate. Leading in the price explosion are fuel costs, fertilizer and interest rates. In addition, moderate advances in costs are anticipated for labor, pesticides and seeds.

The financial plight of the farmer will worsen in light of the forecasted recession and profit squeeze. Previously, the farmer increased his debt/equity ratio through increased purchases of farmlands and equipment with less costly inflated dollars. However, unprecedented interest rates during the forecast period may nullify this past practice. Cash-flow problems eminating from the reduction in net income will serve to eliminate many marginal operations.

A potential bright spot for the nation's farmers is exports. However, even this advantage is contingent upon international stability, the value of the dollar and the effects of export tariffs or quotas.

Given these conditions, South Carolina farmers are expected to fare the same as those nationally assuming the absence of unseasonal weather or any other extraneous events. However, it is fairly certain that 1980 will not bring any substantial gains in the declining parity ratio.

FINANCE

FINANCIAL SECTOR:

The Nation

The financial community experienced a tumultuous year in 1979. Persistent inflation, sluggish economic activity and an upheaval from the impact of new instruments placed pressure on all financial institutions -- the banking industry, thrift institutions and other institutions engaged in financial market transactions. These events prompted the Carter Administration and the Federal Reserve System to undertake more drastic steps to combat growing inflation. On October 6, 1979, Paul Volcker, Federal Reserve Chairman, announced significant policy changes to be implemented through monetary policy as a major step toward containing inflation.

The importance of monetary growth and its relation to output and inflation was officially recognized by the Federal Reserve's change in monetary strategy. Specifically, the Federal Reserve abandoned its policy of attempting to control interest rates by manipulating the Federal Funds Market. This change in monetary policy represented an attempt to control the money aggregates directly, and had the added consequence of allowing interest rates to vary according to market pressures.

The primary money aggregates grew at a high but sustained rate, whereas their associated velocities (the rate of movement of money through the economy) followed a much more oscillatory path. The variables influencing velocity are beyond the direct control of the Federal Reserve which suggests that their ability to fine tune the economy through the use of monetary policy alone is questionable.

In addition to the new Federal Reserve Policy, the overwhelming gain in purchasing power realized on appreciable assets -- the so-called wealth effect served to stimulate additional consumer spending during a period of anticipated decline. Armed with this new inflationary psychology and source of collateral, consumers accumulated substantial increases in consumer debt. A 20% increase in consumer debt for the two-year period ending in 1979 emphasizes the vigorous pace of overall financial activity and particularly of debt. Apparently spurred by strong inflationary expectations, consumers shrugged off attempts to slow consumer demand.

Ever increasing inflation appreciably raised the cost of holding money outside interest bearing accounts and prompted innovations to conventional means of payment, i.e., demand deposits, coin and currency. Businesses increasingly turned to devices such as negotiable and nonnegotiable certificates of deposit, repurchase agreements and short-term commercial paper in an effort to defray the cost of holding money. Similar consumer innovations appeared such as NOW (negotiable order of withdraws) and ATS (automatic transfer savings) accounts. NOW and ATS accounts enabled consumers to transfer idle balances of demand deposits into interest bearing accounts with check writing privileges, thereby earning a return on their balances but maintaining the liquidity of the conventional demand deposit.

These new instruments heightened the competition between alternative monetary assets leading to a large and vigorous degree of substitution between them. The amount of asset substitution was accelerated due to the varying differences in reserve requirements imposed on the monetary instruments by regulatory authorities. A high reserve requirement results in a lower return to the depositor because that percentage of funds earns no return. The movement away from those instruments with high reserve requirements magnified the overall liquidity in the economy. This increase in liquidity complicates the manageability of the monetary base. Changes in the monetary base are important since they provide an estimate of the money multiplier. With each additional dollar available, a ripple affect permeates the economy adding to inflationary pressures. The estimation of this multiplier entails a great degree of difficulty due to the uncertainty of the above mentioned instruments.

South Carolina

As with the nation, South Carolina's economy was reflected in the activities of its financial intermediaries. The financial sector in South Carolina recorded a vigorous year in 1979. Despite continued inflation and increased competition among institutions, gains were registered throughout the financial industry. Interest rates reached unprecedented highs affecting various institutional activities. Furthermore, regulatory and institutional changes prompted a revamping of financial strategies among the host of institutions operating in the State.

However, many of the innovations and changes which occurred in the nation throughout the year did not materialize in South Carolina. An apparent lag exists in financial activity and the popularity of new financial instruments in South Carolina compared to the nation.

Banking

Total Assets, an indication of the industry's vitality, approached $7 billion, a respectable 10.9% increase over last year. The banking industry experienced an increase of 23 new offices in 1979. Total demand and time deposits in South Carolina's banks rose to 10.1% compared to an 11.4% gain in the previous year. This slight reduction illustrates the trend nationwide away from conventional savings instruments into more recently created ones. Demand deposits increased 4.5% nationally, down from the previous year's 5.9% rate whereas demand deposits in South Carolina rose 8.3%.

NUMBER OF BANKING OFFICES, ASSETS, DEPOSITS AND LOANS
IN SOUTH CAROLINA BANKS
December 31, 1978 and December 31, 1979
(Thousands of Dollars)

Item	1978	1979	% Difference
Number of Banking Offices	749	772	3.1%
Total Assets	$6,279,294	$6,963,535	10.9
Total Deposits	5,277,689	5,809,919	10.1
I.P.C.* Demand Deposits	2,791,471	3,022,987	8.3
I.P.C.* Time Deposits	2,486,218	2,786,932	12.1
Total Gross Loans	3,350,314	3,586,046	7.0

* I.P.C. - Individual, Partnership and Corporations

SOURCE: Data derived from Federal Deposit Insurance Corporation and Federal Reserve Bank of Richmond

The trend of savings deposits was more perplexing. Nationally, savings deposits fell 12.2% while they increased 12.1% in the State. Apparently, South Carolina financial activity, while generally following national trends, portrays a substantial time lag suggesting a more conservative saver in South Carolina than in the nation. One possible explanation for this is the substitution in South Carolina of conventional savings accounts for money market certificates of deposit.

First initiated in June, 1978, money market certificates have experienced phenomenal growth. In September, 1978, only three months after their introduction, money market certificates accounted for 3.2% of all insured savings deposits in the State. A year later, money market certificates had grown from $149 million to $956 million, a 540% increase, and subsequently captured 19.1% of all insured deposits.

MONEY MARKET CERTIFICATES IN SOUTH CAROLINA
1978-1979

Date	Amount of Money Market Certificates	% of All Insured Savings Deposits	Percentage Changes	
June 1978	First Initiated			
September 1978	$149,400,000	3.2%	Sept. 1978-March 1979	288%
March 1979	579,695,000	12.0	March 1979-Sept. 1979	65%
September 1979	956,027,000	19.15	Sept. 1978-Sept. 1979	540%

Source: Federal Home Loan Bank Board

The popularity of money market certificates in the State was not reflected in a corresponding decrease in total time deposits however. Nationally, money market certificates did serve to lure away savings deposits. The availability of a larger number of viable alternatives nationally, or South Carolinian's preference for the more traditional savings intermediaries, may explain the vast differences between the State and the nation.

Savings and Loan Associations

1979 proved to be a volatile year in the flow of funds in and out of the State's Savings and Loans. The rapid disintermediation which occurred late in 1979 caused changes in the composition of the Savings and Loans' liabilities. The result was a steadily rising cost of funds to the Savings and Loans leading to a squeeze on their asset/liability ratios which eventually forced the suspension of most consumer loans and home mortgages. Financial activity of the State's Savings and Loans declined, prompting a retrenchment among all similar thrift institutions.

NUMBER OF INSURED ASSOCIATIONS, TOTAL ASSETS, MORTGAGE LOANS AND DEPOSITS
South Carolina State and Federal Savings and Loan Associations
June 30, 1978 and 1979
(Millions of Dollars)

Item	1978	1979	% Difference
Number of Associations	75	76	1.3%
Federal	47	47	-
State	28	29	3.6
Total Assets	$5,201	$5,744	10.4
Federal	3,831	4,215	10.0
State	1,370	1,529	11.6
Mortgage Loans	$4,495	$4,904	9.0
Federal	3,328	3,623	8.9
State	1,167	1,281	9.8
Total Savings	$4,483	$4,927	9.9
Federal	3,300	3,605	9.2
State	1,183	1,322	11.7

Source: State Banking Department, Annual Reports

Credit Unions

Activity in South Carolina Credit Unions in 1979 highlighted the growing competition in the industry as well as the battle against persistent inflation. The number of credit unions operating in South Carolina decreased, from 202 to 200 while membership increased 5.7%, a significantly slower pace than last year's 12% increase. The basic indicators of the industry continued to increase in 1979 but at a slower rate. Total assets rose 2.8% down from the 12.3% growth the previous year. Growth in loans issued slowed to 1.5%, well below last year's 8% gain, while savings increased 4.8%, down from 14.2% the period before. These data reflect the decrease in activity and attest to the high cost of borrowed funds by the thrifts as well as their decreased profitability resulting from greater competition for available funds.

SOUTH CAROLINA CREDIT UNIONS
December, 1970, 1978 and 1979
(Millions of Dollars)

Item	1979	1978	1970
Number of Credit Unions	200	202	183
Number of Members	486,932	460,677	196,839
Savings	$525.6	$501.4	$111.2
Loans	$486.9	$479.5	$105.7
Assets	$588.3	$572.3	$130.6

Source: South Carolina Credit Union League

Consumer Finance

The performance of the consumer finance industry in South Carolina is shown in the following Table. The reduced activity was mainly the result of high interest rates which reduced the supply of loanable funds. The expected curtailment of consumer credit will continue to depress the industry until the next upturn in the business cycle.

OUTLOOK

Given the lag in the industry in South Carolina, as well as the conservative nature of South Carolinians in the money market, it seems safe to predict that the 1980's will be a decade of further change in the banking and financial sectors in South Carolina.

The focal point of change will center on the recent moves by the Federal Reserve and actions proposed by the Administration and Congress in 1980. If inflation continues at historically high rates, flexibility and innovation will be the key to survival in the next several years. Whether the financial community prospers to the fullest extent will depend upon the individual institutions and their ability, and that of South Carolinians, to adapt to change.

HOUSING

HOUSING AND BUILDING ACTIVITY: SOUTH CAROLINA AND THE NATION

The housing sector is an essential component of South Carolina's economy. It constitutes the primary investment for most households over their expected lifetime. The importance of home ownership has increased dramatically to the point where the cost of purchase and debt service is an estimated 33% of a family's median income.

The importance of the housing industry in the economy is compounded by the many diversified industries which are affected. Durable and nondurable goods industries nationally and in South Carolina look to the housing sector in anticipation of their own future prosperity. Considering the importance of in-migration of people and businesses, the State's continued attractiveness will bolster housing and building activity and provide even further incentives to growth.

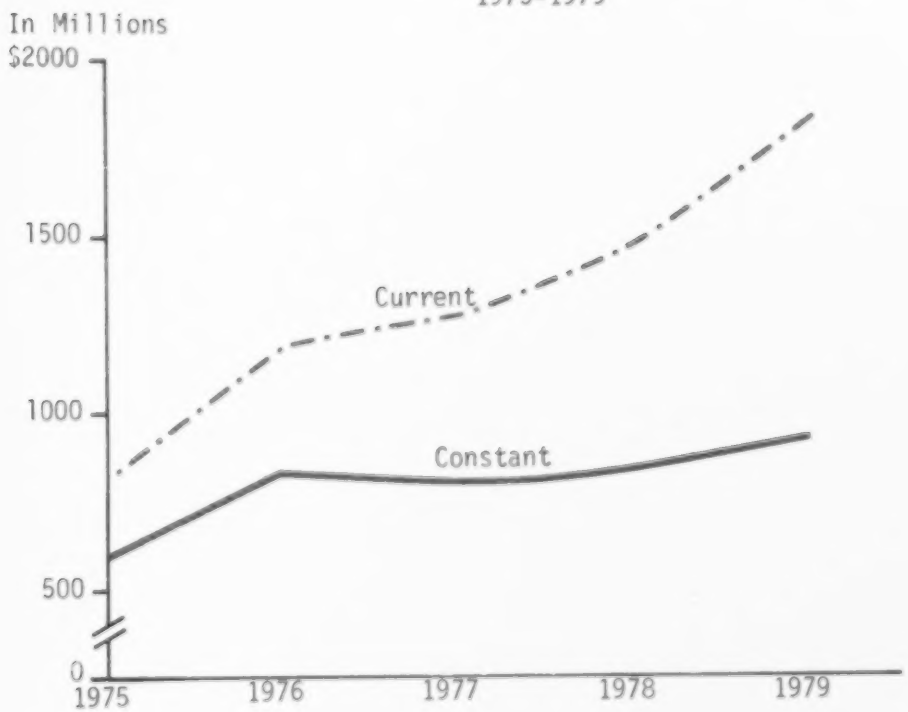
Housing activity can be viewed from many different perspectives: recent activity in the real estate industry, residential and nonresidential construction, and the link between real estate activity, construction and the financial community. The significant explanatory variables to be examined here are: (1) the supply and demand for housing, (2) the status of financial intermediaries and (3) other extraneous variables such as the current energy situation.

Demand For Housing

Demand for housing continued strong in 1979 despite rapidly increasing inflationary pressures. In fact, the rising price of homes may have actually generated additional demand. One possible reason is that the acquisition of a tangible asset, e.g., a house which appreciates in value is an excellent hedge against inflation and perhaps one of the few viable hedges for the average family. Demand was also strengthened from the baby-boom generation's initial home purchases in anticipation of even higher home prices.

Realtors operating in South Carolina reported record levels of sales in 1979 with both residential and nonresidential sectors exhibiting strong growth. The value of construction permits, after adjusting for inflation, increased 10.5% in South Carolina during 1979. A more detailed breakdown shows residential activity increased 10.2%, while nonresidential activity increased 26%, reflecting the business sector's optimistic expectations throughout the year.

CURRENT VERSUS CONSTANT VALUE OF CONSTRUCTION PERMITS
IN SOUTH CAROLINA
1975-1979



Owner-Occupied Housing

As previously mentioned, price apparently did not deter the demand for housing. The price of home ownership increased 15.5% on a national average while the cost of financing a home, including taxes and insurance, advanced 20%. In South Carolina, the average price of a home rose 12.6% in Greenville, 11.8% in Charleston, 11.6% in Spartanburg and 7.4% in Columbia in 1979.

AVERAGE PRICE OF HOMES IN SOUTH CAROLINA
DURING 1979

Source: S. C. Association of Realtors

These increases resulted in peak values for homes. The median price for new homes nationally rose to $62,900 in 1979 from $55,700 the previous year, while the median price for existing homes rose to $55,700 from $48,700. This compares to an average price in 1979 of $47,380 in the Columbia area, $49,359 in Charleston, $44,350 in Greenville and $44,115 in Spartanburg.

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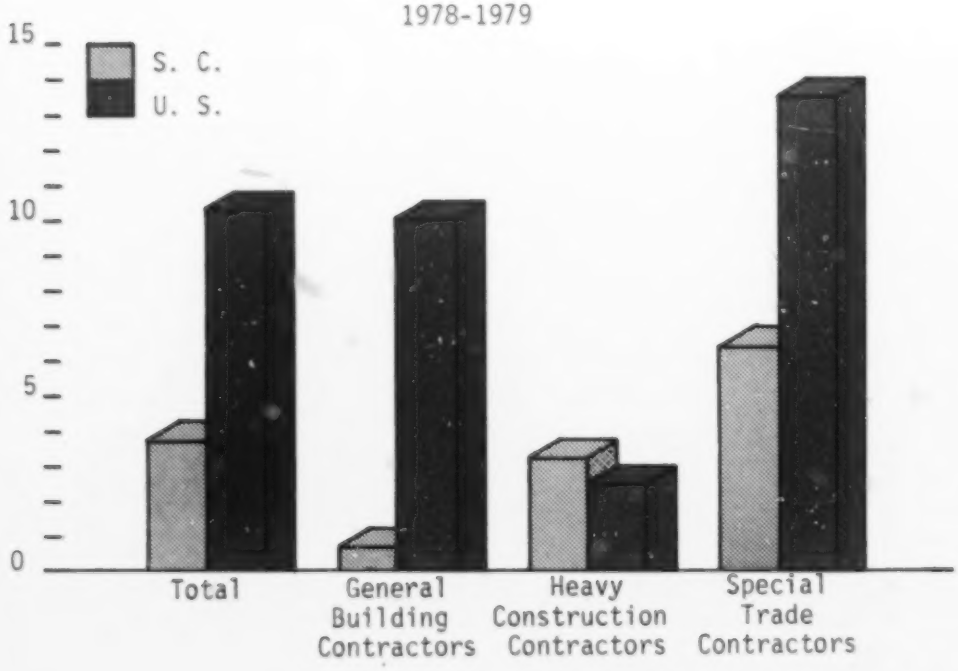
Construction Employment

With housing demand continuing strong throughout most of 1979, construction employment registered healthy gains in the nation. Employment gains in South Carolina did not match these rates. South Carolina construction employment increased 3.7%, while nationally, employment in construction increased 10.3%. While still slightly below the pre-recession highs of 1973, this places a large number of South Carolina employees in further jeopardy if the economy, and especially the housing industry, experiences an even more severe downturn in 1980 than expected.

PERCENT CHANGE IN CONTRACT CONSTRUCTION EMPLOYMENT

South Carolina and United States

1978-1979



Rental Housing

Besides price, another component of demand which deserves attention is the amount of available rental units. The closest approximation to a measure of rental availability for South Carolina is the national vacancy rate which was 5.0% for 1979, a record low. It is widely agreed that home ownership holds the edge in popularity over renting. This seems especially valid considering the many advantages of ownership. While the typical mortgage contract ties owners to an explicit interest rate and fixed mortgage payment, inflation and particularly the recent inflation has meant repaying this fixed debt with even cheaper dollars. Furthermore, the tax advantages, such as deductions for interest payments, strengthen the attractiveness of incurring additional debt. This further manifests itself in increases in second mortgages and other various real estate transactions.

Energy

Energy eventually feeds into a supply and demand analysis of housing. With the rising price of gasoline, and transportation in general, it is expected that the flight to the suburbs which first began to reverse itself in the early 1970's will continue the pattern of reversal at an even faster pace in the 1980's. Property close to the central city should become much more attractive causing property values in the suburbs to decline relative to those of the city. This could lead to wide disparities in housing prices due mainly to location and transportation costs regardless of general economic and demographic conditions.

Supply of Housing

Nationally, new housing construction expenditures increased 10% in 1979. This was in spite of rapidly rising building costs which contributed significantly to last year's 13.3% overall inflation rate (measured by the Consumer Price Index). Construction costs registered a 12.4% increase, whereas construction loan rates hovered 3 to 4 percentage points above the prime rate. Nevertheless, the industry enjoyed a successful year in 1979. In South Carolina, housing permits issued increased 16.4%. Apparently, the higher costs charged by the suppliers were passed on to the consumer who was not deterred by the higher prices.

SOUTH CAROLINA RESTRICTED AND SUPERVISED LENDERS
1978-1979

Item	Restricted Lenders			Supervised Lenders		
	1979	1978	% Change	1979	1978	% Change
Number of Licensees	293	292	0	437	413	5.8%
Number of Loans Made	370,257	370,783	-.1%	257,490	260,018	-1.0
Amount of Loans Made (In Thousands)	$105,998	$107,587	-1.5	$410,681	$366,486	12.1
Average Amount of Loans Made	$286.28	$289.41	-1.1	$1,594.94	$1,409.47	13.2

SALES FINANCE THROUGH LICENSED LOANS BY SUPERVISED LENDERS
IN SOUTH CAROLINA
1978-1979

Item	1979	1978	Percent Change
Number of Accounts	100,508	98,901	2.5%
Amount of Accounts (In Thousands)	$119,938	$109,657	9.4
Average Amount of Accounts	$1,119.33	$1,117.91	.1

Source: State Board of Financial Institutions, Consumer Finance Division

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PERCENT CHANGES IN THE CONSTRUCTION COST INDEX[1] AND THE CONSUMER PRICE INDEX[2]
1970-1979

Source: [1]U. S. Department of Commerce
[2]U. S. Department of Labor

HOUSING UNITS AUTHORIZED IN PERMIT-ISSUING PLACES IN SOUTH CAROLINA
Calendar Years
1975-1979

	1975	1976	1977	1978	1979	Perce Chan 78-7
Total Housing Units	15,358	16,212	22,139	22,046	25,655	16.4
Public Housing Units	512	348	0	0	0	0
Private Housing Units	14,846	15,864	22,139	22,046	25,655	16.4
Structures of 1 Unit	12,166	13,786	18,532	16,824	18,209	8.2
Structures of 2-4 Units	598	553	622	1,346	1,501	11.5
Structures of 5 or More Units	2,082	1,525	2,985	3,876	5,945	53.4

SOURCE: United States Department of Commerce, Bureau of the Census.

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Financial Sector

The most dramatic change in the housing sector for 1979 pertained to the financial sector, nationally and in South Carolina. As real housing demand continued strong throughout most of 1979, financial conditions rapidly deteriorated. The Federal Reserve's attempt in October to tighten the money supply and institute further credit control at the expense of market interest rates drove mortgage rates up and many potential home buyers out of the market by the first quarter of 1980. The result of this action, coupled with the inception of new monetary instruments, added to the precarious nature of housing as the 1980's were ushered in.

As small savers became increasingly aware of the gravity of inflation, the conventional savings deposit account rapidly lost its attractiveness. Cognizant of the small return on passbooks and the loss to inflation and taxes, savers began to look elsewhere for more lucrative returns. What they found was a new array of investment opportunities and new methods for dealing with them.

Mortgage activity through the traditional vehicle of savings and loan associations suffered. Coupled with Federal Home Loan Bank Board regulations, savings and loan associations could not compete with the new savings instruments. Disintermediation, i.e., the flow of funds from one source or financial intermediary to another, occurred at a rapid rate. This caused a rise in the costs of funds to the average savings and loan association while tightening their asset/liability ratio. The immediate effect was a reduction in mortgage lending and spiraling of interest rates. By late 1979, construction loans were averaging above 20%, mortgage rates approached 12% to 13%, and the industry began to prepare for a shaky introduction into the 1980's.

The following table displays the different types of housing and construction-related financing in South Carolina in 1979. Loan assumptions were the most prominent form of financing as participants sought ways to by-pass the highly inflated cost of obtaining mortgage funds. Conventional loans were next followed by government sponsored FHA and VA loans. Added together the government sponsored loans accounted for the largest share of the mortgage market. Besides loan assumption, government backed loans and conventional loans, a fourth category played a significant role in lending activity. Although not explicitly defined, this category consists of personal loans, trades of property and owner-financed bonds or loans. These categories, sometimes referred to as "creative financing", have begun to reflect the above mentioned changes in financial lending and will increase in importance as the financial community continues to adjust to these extraneous events.

TYPES OF FINANCING DURING 1979
IN
COLUMBIA AND SPARTANBURG

Expressed As A Percentage Of The Total Mortgage Market

Type of Financing	Columbia	Spartanburg
Loan Assumptions	26.3%	37.7%
Conventional Loans	16.4	22.2
F.H.A.	25.1	21.5
V.A.	14.8	8.4
Personal Loans	0	0
Actual Cash	5.5	5.9
Other	11.9	4.3
Total Mortgage Market	100.0%	100.0%

SOURCE: South Carolina Association of Realtors.

These irregular developments nationally and state-wide can be traced in part to the expanding pressure of government in the financial markets (generally known as the crowding-out effect). Further, the tremendous growth and popularity of new and varied monetary instruments such as commercial paper, Eurodollars, money market notes, mutual funds and money market certificates also share a role in the changing financial scene. The result of such measures contributed to the recent higher rates of inflation as provided in the official statistical series, since mortgage interest rates are a prominent component of the CPI.

OUTLOOK

The immediate future for the housing sector appears dim at best and disastrous in the worst case scenario. This pessimistic outlook for 1980 results primarily from three interrelated forces: the recent anti-inflation efforts implemented by the Administration, current and possible future actions by the Federal Reserve and the changing nature of the financial community.

The housing sector constitutes a main artery of the South Carolina economy and one that is dangerously susceptible to volatile swings. If the recent war on inflation staged by the Carter Administration successfully slows inflation dramatically, causing interest rates and housing prices to stabilize, the housing sector in 1980 may escape with only a medium to poor performance. However, if the Federal Reserve is prompted to undertake additional credit tightening moves the chances for a very severe housing depression appear imminent.

It is apparent that in the downturn in 1980, as in others preceding it, the housing sector will bear much of the burden of the induced recession. 1979 may have marked the turning point of conventional mortgage activity, as new ideas spurred by inflation began to replace older methods of financing. With recent changes occurring within financial intermediaries and the creation of new monetary instruments, the conventional financial mortgage stands the possibility of replacement. Due principally to the burden of inflation, long-term, fixed-rate financial commitments have become all but antiquated, while instruments written to reflect the latest inflationary spirals have become vogue. The future consists of such devices as rollover mortgages, renegotiable-rate mortgages and other new methods designed to protect the lender against the heavy cost of inflation. Many financial experts see the eventual demise of long-term conventional loans as inevitable.

In summary, the future suggests structural and institutional changes for the financial intermediaries in the nation and in South Carolina. Given this, forecasts of building and real estate activity are cloudy but the relevance of this activity as an indicator of future growth cannot be overemphasized.

Nationally, building starts are expected to decline 40%, to a low of about one million units. Housing starts in South Carolina should parallel national trends although there is a chance that the State may fare marginally better.

INSURANCE

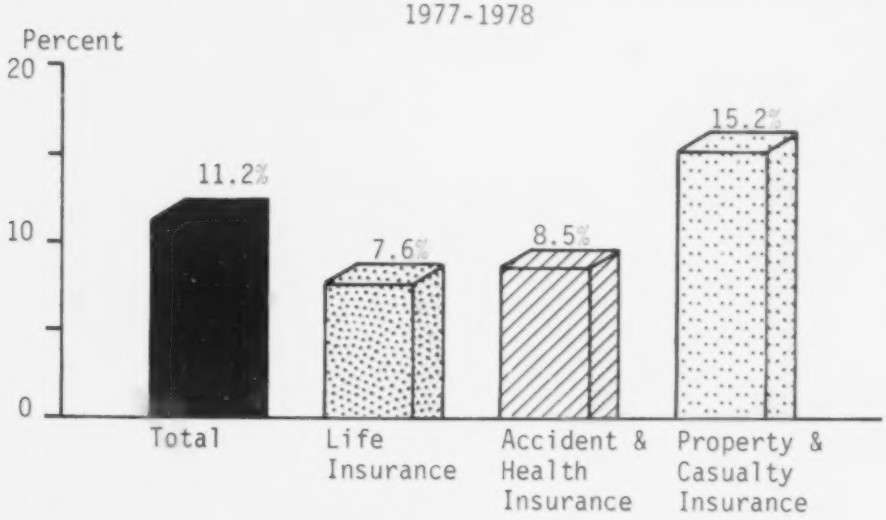
INSURANCE

The insurance industry in South Carolina continued on an upward trend in 1978, the most recent year for which data is available. At the same time, significant changes occurred.

Total Premiums paid by South Carolinians and Total Net Income recorded by South Carolina insurance companies, two significant indicators of the strength of the industry, increased but at a decreasing rate. Total premiums increased at an 11.2% annual rate, somewhat lower than the previous year's (1977) percent increase of 15% and slightly lower than the decade's average annual growth rate of 11.9%. An examination of the industry suggests two possible explanations. One is that the industry may have reached, temporarily at least, a plateau in its growth path, i.e., a possible short-term saturation point or leveling off of activity. A second is the permeating effects of inflation on the industry.

PERCENT CHANGE IN TOTAL PREMIUMS PAID BY SOUTH CAROLINIANS

1977-1978



Source: South Carolina Department of Insurance, Seventy-Second Annual Report

TOTAL PREMIUMS PAID BY SOUTH CAROLINIANS
FOR INSURANCE

Insurance	1968	1977	1978	% Change 1977-1978	Average Annual % Change 1968-1978
Life	$203,168,204	$ 408,002,523	$ 439,160,067	7.6%	8.9%
Accident & Health	137,193,189	467,117,373	507,025,285	8.5	15.6
Property & Casualty	226,121,486	670,135,781	772,296,082	15.2	14.6
TOTAL	$556,482,879	$1,545,255,677	$1,718,481,434	11.2	13.3

Source: South Carolina Department of Insurance, Seventy-Second Annual Report.

As shown above, Life Insurance premiums grew at a 7.6% rate, lower than the decade's growth rate of 8.9%. This slower growth may be a result of a reshuffling of consumer preferences as sustained inflation caused a reorganizing of household budgets leading to a higher risk strategy toward financial planning.

Accident and Health insurance activity registered the most dramatic growth path by recording an 8.5% increase, significantly below the prior year's 21.5% growth and the decade's 15.6% growth rate. This too may be a result of inflation's impact upon the high cost of insurance or possible leveling off of growth.

In contrast, Property and Casualty premiums continued to expand, increasing 15.2%, compared to the decade's performance of 14.6%. The increasing number of litigations in South Carolina's courts may be one possible explanation for the upward trend in this component as well as the effects of inflation on the required amounts of coverage.

NET INCOME OF SOUTH CAROLINA INSURANCE COMPANIES
1977 and 1978

	1977	1978	% Diff.
Life, Accident & Health Insurance Companies	$24,405,599	$28,852,221	18.2%
Property & Casualty Insurance Companies	25,104,143	26,912,798	7.2
Total Net Income, S.C. Insurance Companies	$49,509,742	$55,765,019	12.6

Source: South Carolina Department of Insurance, Seventy-Second Annual Report.

Net Income of South Carolina insurance companies in 1978 mirrored the performance of premiums reported. Total Net Income for all categories increased at a 12.6% rate, a sudden drop from the 1976-77 increase of 93.5%. The components which constitute this measure indicate that Life, Accident and Health insurance increased 18.2% compared to a 34% rate in the 1976-77 period while Property and Casualty experienced an even more significant change, increasing at a 7.2% rate compared with a 241% increase the year before.

OUTLOOK

A recognition of the public's increasing perception of recent inflation patterns may continue to cause a re-evaluation of long established priorities within the household budget. Inflation does shorten an individual's planning horizon.

A general consensus would support the premise that man is risk adverse and that insurance, or shared risk, is the most commonly used vehicle to reduce uncertainty. Consequently, while it is believed that the insurance industry will continue to register positive growth rates of activity, this growth may be modest for the next several years as compared to the early 1970's.

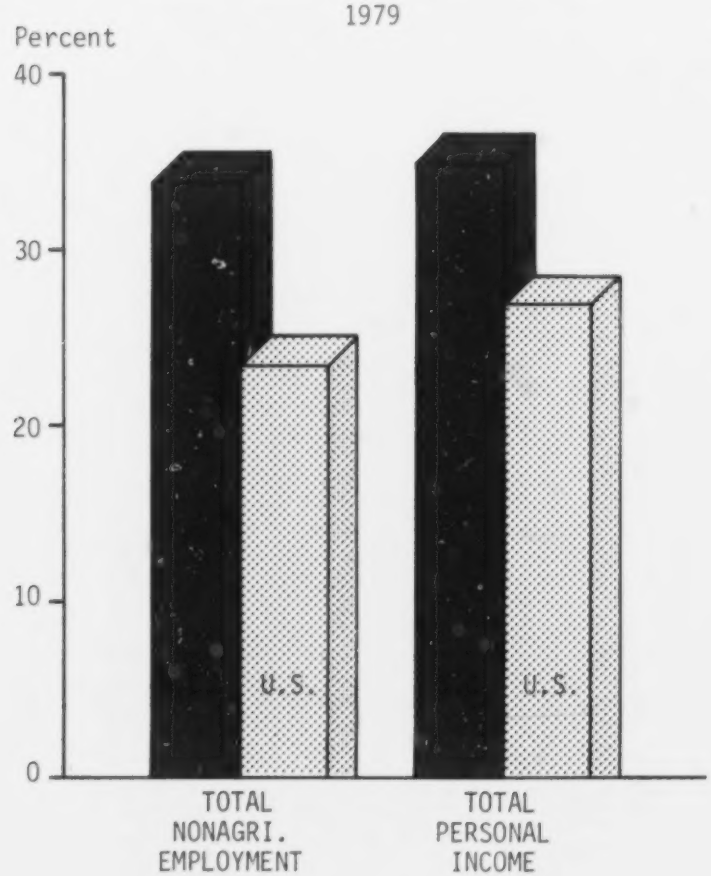
MANUFACTURING

THE MANUFACTURING SECTOR

Manufacturing employment accounts for more than 33% of total nonagricultural employment in the State. This compares to some 23% in the nation. Personal income derived from manufacturing comprises approximately 35% of South Carolina's total personal income, compared to 27% of United States total personal income. Manufacturing is thus the largest industrial sector in the South Carolina economy. The importance of manufacturing in the economy of the State requires a close examination of the makeup of the industry and the growth in employment and income and in capital investments from both foreign and domestic sources.

MANUFACTURING AS A PERCENTAGE OF TOTAL NONAGRICULTURAL EMPLOYMENT AND PERSONAL INCOME
SOUTH CAROLINA AND UNITED STATES

1979



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The broad and diverse manufacturing sector of South Carolina is divided into two major types of goods producing industries. The first is the less cyclically sensitive, more prevalent nondurable goods industries composed primarily of consumer goods such as textiles and apparel. The second is the higher paying, durable goods industries, specializing in hard producer items, such as nonelectrical machinery and electronic equipment. Durable goods have tended to be more susceptible to cyclical swings since they are generally more expensive, can be repaired, or new purchases can be postponed until more favorable financial conditions and better economic periods. This is true of both consumer durables and producers durables. In contrast, nondurable goods, and particularly those associated with the South Carolina economy, do not exhibit the same cyclical sensitivity associated with durable goods, thus providing a somewhat greater stability in economic swings.

SOUTH CAROLINA'S MANUFACTURING SECTOR*

NONDURABLE GOODS

SIC 20	Food and Kindred Products
SIC 22	Textile Mill Products
SIC 23	Apparel and Other Textile Products
SIC 26	Paper and Allied Products
SIC 27	Printing and Publishing
SIC 28	Chemicals and Allied Products
SIC 30	Rubber and Misc. Products
SIC 31	Leather and Products

DURABLE GOODS

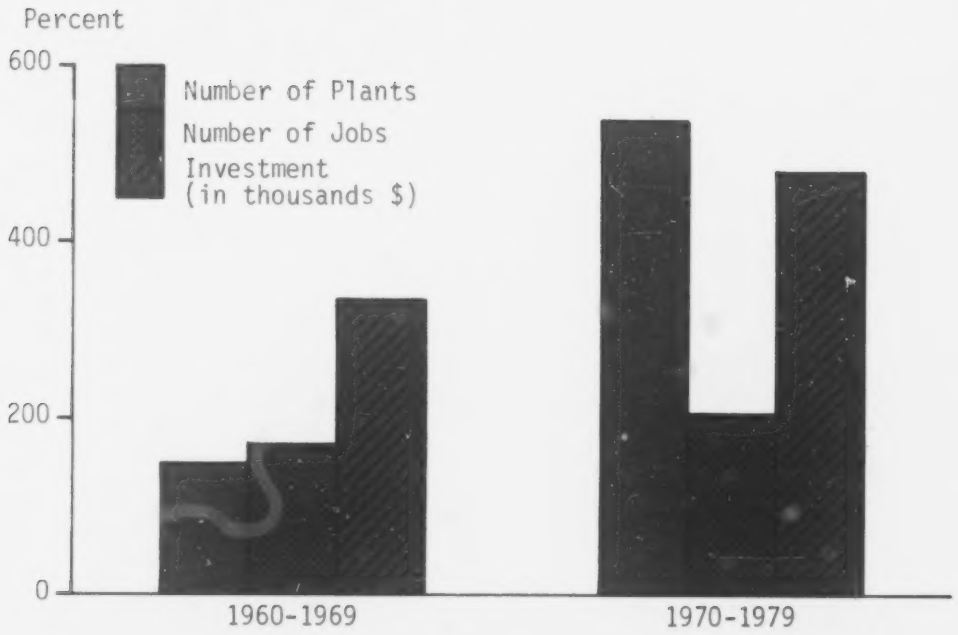
SIC 24	Lumber and Wood Products
SIC 25	Furniture and Fixtures
SIC 32	Stone, Clay, and Glass Products
SIC 33	Primary Metal Industries
SIC 34	Fabricated Metal Products
SIC 35	Machinery, Except Electrical
SIC 36	Electric and Electronic Equipment
SIC 38	Instruments and Related Products

* Industries are classified according to the Standard Industrial Classification Manual, 1972.

Capital investment in the manufacturing sector of South Carolina has been, and continues to be, a strong underpinning of the State's economic vitality. During 1979 substantial growth occurred in new job creation, total investment dollars and proposed plant construction, all of which provide a prelude to future growth in the State. The decade of the 1970's viewed in its entirety and especially the year 1979 can be considered a success in fostering economic development in the State. Indications are that corporations are continuing to locate in the Southeast and in South Carolina and that firms already present continue to add to capacity, as indicated by their 1979 expansion plans. Possible explanations include the national investment pattern in 1979 stemming from the brisk profits reported across the country as well as the continued strength from consumer spending. South Carolina offers many locational advantages such as close proximity to the raw materials used in production, a diverse and growing technological base, a favorable climate, desirable business attitude and a readily available labor force.

PERCENT CHANGE IN CAPITAL INVESTMENT
IN THE MANUFACTURING SECTOR

1960-69 and 1970-79



In 1979, the number of new plants announced totaled 109, a 45% increase over the previous year, while plant expansions numbered 617, a 56% increase. Translated into dollars, planned investment in 1979 totaled $1.5 billion, an 80% increase from the prior year. Details on planned investment by industry are provided in the table below. This announced growth is expected to result in approximately 21,600 direct new jobs within the manufacturing sector. Subsequently, additional employment will provide an added stimulus to the State's economy through increased demands for goods and services, resulting in even further job creation.

CAPITAL INVESTMENT AND EMPLOYMENT FROM NEW AND EXPANDED PLANTS BY INDUSTRY IN SOUTH CAROLINA, 1979

Industry	Number of Firms		Employment		Investment	
	Number	% of Total	Number	% of Total	Dollars (Millions)	% of Total
Food	43	5.9%	370	1.7%	$ 19.0	1.2%
Textiles	91	12.5	2,342	10.8	200.6	13.0
Apparel	45	6.2	2,122	9.8	24.0	1.6
Wood & Furniture	60	8.3	1,059	4.9	59.7	3.9
Paper & Printing	63	8.7	847	3.9	143.1	9.3
Chemical	64	8.8	1,729	8.0	362.8	23.5
Metalwork-ing	264	36.4	10,273	47.6	441.4	28.6
Rubber & Plastics	40	5.5	2,462	11.4	224.9	24.6
Miscel-laneous*	56	7.7	394	1.8	65.8	4.3
TOTALS	726	100.0%	21,598	100.0%	$1551.1	100.0%

* Includes Tobacco, Petroleum, Leather, Stone, Clay, Glass and Concrete, Miscellaneous Manufacturing and Research and Development Industries.

SOURCE: South Carolina State Development Board, Planning and Research Division.

Over the last decade, the State has been successful in attracting higher paying, more capital-intensive, durable goods industries. South Carolina's economy continues to witness a noticeable shift from Adam Smith's theory of horizontal specialization to a more diversified mixture of nondurable and durable industries, i.e. a trend toward vertical integration as measured by the value-added production process. The most likely direction for economic growth in the State will be further development of higher paying, high-technology oriented durable goods industries superimposed on a sound nondurable foundation. This growing mix of industries will enable the State to continue to expand at a favorable rate. At the same time this industrial mix will provide a better cushion for the economy against future economic fluctuations and yet continue to offer entry level employment for diverse segments of its work force.

The durable goods producing industries have increased employment by over 40% since 1970, while the nondurable industries have experienced an employment growth of under 7%. Personal income derived from the durable industries grew more than 150% while growth in income from nondurable industries was two thirds that rate, at approximately 100%. Within the producer goods sector, substantial growth has been experienced throughout the last decade in specific industries such as fabricated metals, nonelectrical machinery and the electric and electronic equipment industries. The metalworking industry contributed the greatest increase in the number of firms, employees and investment dollars during 1979.

The nondurable sector continues to be the overwhelming foundation of the industrial base in South Carolina. In 1970 nondurable industries accounted for approximately 75% of total manufacturing employment. Even after a decade of downward shift in the proportion of nondurable employment to total employment, some 70% of all manufacturing employees continue to be employed in nondurable industries.

The textile and apparel industries in South Carolina are characterized as labor-intensive industries, major employers of women and minorities. This is particularly evident in the apparel category, requiring low operating capital due to fewer operations and less frequent style changes. Absolute employment declines in textile mills since the 1974-75 recession have been offset by impressive gains in other nondurable industries such as paper and allied products, printing and publishing, chemicals and allied products, and the rubber and plastic industries. The composition of State personal income reflects this shift toward the higher-compensated durable industries. However, it appears that major nondurable industries, particularly the textile industry which has had considerable impact on the economy of the State since the early 1800's, will continue to form the bedrock of South Carolina's economy into the 1990's.

Foreign investment has played an important role in the rapidly expanding South Carolina industrial base. During 1979 foreign investments totaled almost $393 million, slightly lower than the record set in 1977 when foreign investments reached $408 million. Foreign investment planned in 1979 accounted for 25.5% of total capital outlays in the State of $1.5 billion. In 1979, French firms led the amount of international investment with approximately $139 million invested in the State, followed by investors from Great Britain and Germany. The continued development in South Carolina by foreign-based interests will depend on the encouraging attitude reflected by South Carolinians toward industrial development, the value of the dollar and the threat of import quotas or tariffs imposed by the national Administration.

FOREIGN INVESTMENT BY MANUFACTURING PLANTS
BY COUNTRY
(In Thousands of Dollars)

Country	Prior to 1970	1970-1978	1979	Cumulative Total Investment	Percent of Cumulative Total Investment *
Austria	---	500	---	500	**
Belgium	---	12,250	655	12,905	0.5%
Canada	13,500	39,324	7,005	59,829	2.2
Denmark	---	---	3,000	3,000	0.1
France	7,592	416,100	139,200	562,892	20.8
Germany	249,592	544,173	90,265	884,030	32.6
Great Britain	241,082	217,967	97,165	556,214	20.5
Japan	3,000	253,700	1,725	258,425	9.5
Netherlands	150,000	24,625	11,950	186,575	6.9
South Africa	---	6,000	---	6,000	0.2
Switzerland	250	139,081	41,070	180,401	6.7
Taiwan	---	---	500	500	**
TOTALS	$665,016	$1,653,720	$392,535	$2,711,271	100.0%

* Percents may not add to 100 due to rounding.
** Less than 0.1%.

SOURCE: South Carolina State Development Board, Planning and Research Division, December, 1979.

OUTLOOK

Industrial expansion of the manufacturing sector during 1980 must be forecast with a great deal of caution. Historically, investment has followed an erratic path. With a recession at the start of 1980, investors may hedge or even curtail planned investments. Consequently, it is to be expected that some impact of the recession will be felt on capital investment in 1980 or in 1981, particularly following a record year such as that of 1979.

The long-term outlook for future record breaking investment in South Carolina is very favorable. It is contingent on the economy's established industrial base, its ratio of durable to nondurable goods and its ability to continue to attract outside investors. The state of the international and national economies will to a large extent also determine South Carolina's path into the 1980's.

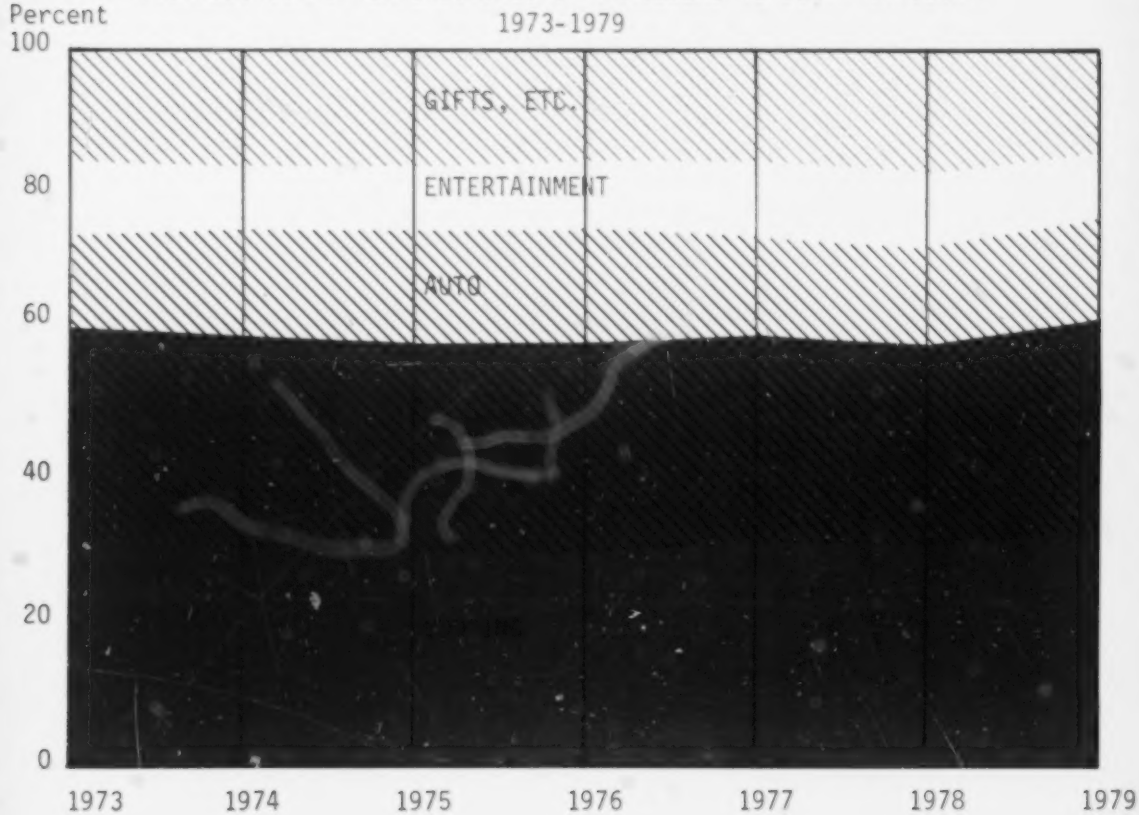
PARKS RECREATION & TOURISM

PARKS, RECREATION AND TOURISM

Direct and indirect effects of the tourist industry on the economy of South Carolina combine to make it one of the larger and more important industries in the State. Lodging, eating and recreation services depend heavily on the tourist trade. In 1979, 33% of out-of-state tourist expenditures were spent on lodging, 30% on food, 9% on entertainment, 14% on automobile expenses and 14% for gifts and miscellaneous.

A wide range of other businesses also profit from travel trade. The economic impact of travel activities can be traced to several types of commercial establishments, especially major retail trade and service outlets. Tourist expenditures are multiplied in the economy as they are released in the retail channels and begin to flow through wholesale outlets, financial institutions and manufacturing industries in the form of additional purchases of goods and services.

DISTRIBUTION OF EXPENDITURES OF TRAVELERS TO SOUTH CAROLINA
1973-1979



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Expenditures of all tourists in the State exceeded $1.8 billion in 1979, 3.2% more than in 1978. In the past several years, tourists expenditures have shown vigorous growth, and since 1972 have almost tripled. This growth has come from an increase in South Carolinians' vacationing at home and from a growing number of out-of-state travelers attracted to the State, as well as from an increase in the dollar amounts spent. Travelers entering South Carolina have increased 43.7% since 1972, from 26.3 million people in 1972 to 37.8 million in 1979.

In 1979, tourists with South Carolina as their primary destination, or "visitors", represented 36.8% of the total or 13.9 million. The remaining 23.9 million tourists were "pass through" travelers whose primary destination was outside of South Carolina. "Visitors" expenditures of $1.3 billion accounted for 70% of total tourist expenditures with "pass through" travelers expenditures accounting for 30%. "Visitors" spent an average $18.83 per day, and the average length of stay was 4.9 days, whereas "pass through" travelers spent an average of $14.25 per day with an average stay of 1.6 days.

NONRESIDENT AUTOMOBILE TRAVELERS ENTERING SOUTH CAROLINA

1972-1979

Year	Total Travelers (Millions)	Visitors*		Pass Through Travelers**	
		Number (Millions)	Average Length of Stay (Days/Person)	Number (Millions)	Average Length of Stay (Days/Perso
1972	26.3	8.0	NA	18.3	NA
1973	28.6	9.3	4.74	19.3	1.57
1974	30.9	10.2	5.09	20.7	1.62
1975	35.8	11.6	4.73	24.2	1.50
1976	38.6	12.6	4.86	26.0	1.45
1977	39.6	14.3	4.84	25.3	1.46
1978	40.5	17.2	5.28	23.3	1.69
1979	37.8	13.9	4.90	23.9	1.57

*Nonresident travelers with a primary destination in South Carolina
**Nonresident travelers with a primary destination outside of South Carolina.

Source: South Carolina Department of Parks, Recreation and Tourism

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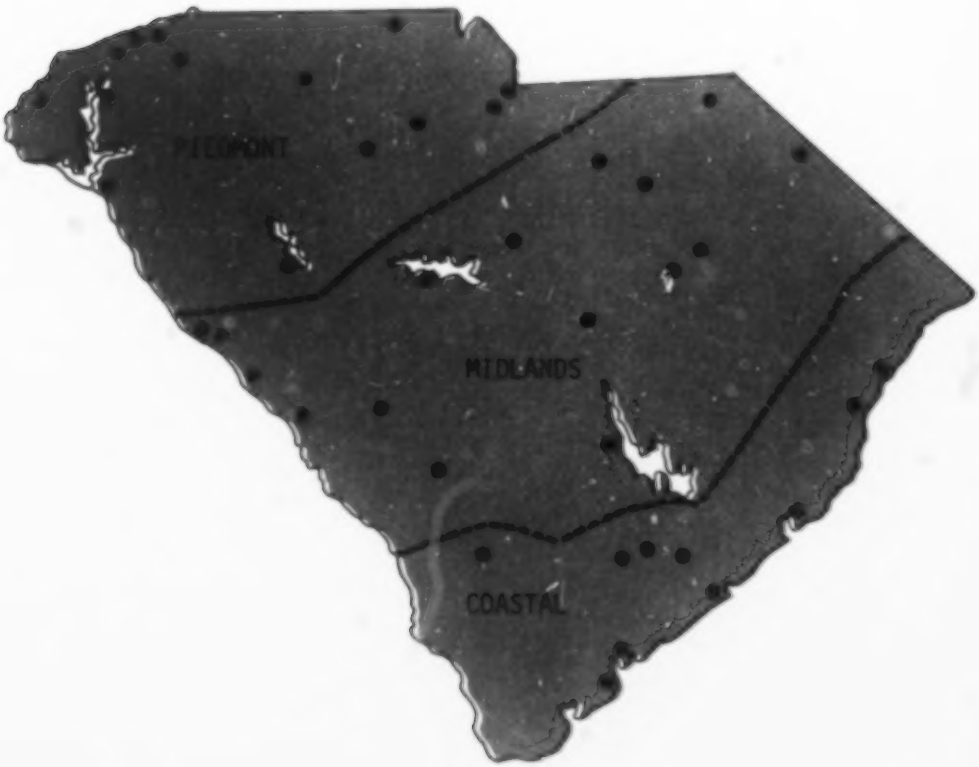
The number of travelers whose primary destination was in South Carolina has grown substantially faster than those with non-South Carolina destinations. In 1972, visitors to the State accounted for 30% of total tourists with "pass through" travelers accounting for 70%. In 1979, the "visitors" share rose to 37% and "pass through" travelers accounted for 63%.

In 1979, a total of 2,685,551 people visited the State's eight border Welcome Centers. Of that total, 91% were from out-of-state and 34% of those nonresident visitors had South Carolina as their major trip destination. South Carolina Welcome Centers function to extend the good will of the State to its visitors and to provide information which will augment visitor travel to the resort areas, to attractions along alternative scenic routes and to special events and activities which enrich the tourist's trip and broaden his concept of South Carolina.

STATE PARKS IN SOUTH CAROLINA



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The State, through the Department of Parks, Recreation and Tourism (PRT), expanded all levels of leisure services during 1979 including planning, coordination and technical assistance. Public funds invested in recreation at each of the government levels were reflected in a $10.63 per capita expenditure. Capital outlay was increased to $6.5 million from $5.5 million in 1978.

Outdoor recreation in South Carolina was expanded by $5,041,215 in matching 50-50 funds made available through the Heritage Conservation and Recreation Service (HCRS) during 1979. These funds, awarded to qualified political subdivisions and State departments, accommodated the creation of play fields, tennis courts and other facilities to enhance the outdoor recreational opportunities in South Carolina.

In addition, South Carolina's forty State parks provided cabins and camping facilities, as well as hiking, boating and other family recreational opportunities to more than 11 million residents and visitors during 1979.

In summary, South Carolina continued during 1979 to expand and improve recreational opportunities for residents of the State, while at the same time increasing the number and expenditures of out-of-state visitors. This trend is expected to continue in order to make South Carolina an even more attractive recreational destination for out-of-state travelers.

PUBLIC UTILITIES

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PUBLIC UTILITIES

Electricity

Some 95% of electric power in South Carolina is generated by four companies: one public utility company and three large private utilities. These are: South Carolina Public Service Authority (Santee-Cooper), South Carolina Electric and Gas Company (SCE&G), Duke Power Company and Carolina Power and Light Company (CP&L). The first two companies serve only South Carolina; the latter two serve both North and South Carolina. In 1979, about 30% of total electricity generated by Duke Power was sold in South Carolina and about 15% of electricity generated by CP&L was sold in the State. Some smaller companies and industries also generate electricity, usually for their own use, which amounts to 4% to 5% of the electricity consumed within the State. The following table shows kilowatt hours generated by source for the four major systems serving South Carolina.

MILLIONS OF KILOWATT HOURS GENERATED, BY SOURCE,
FOR THE FOUR MAJOR SYSTEMS SERVING SOUTH CAROLINA DURING 1979

Source	SCE&G	SCPSA	DUKE	CP&L	ALL SYSTEMS
Steam	11,387	5,343	37,445	18,336	72,511
Nuclear	0	0	14,228	10,802	25,030
Hydroelectric	572	680	2,818	1,019	5,089
Combustion Turbines	55	6	122	146	329
(Pumped hydroelectric	444	0	584	0	1,028
less energy for pumping)	-625	0	-593	0	-1,218
TOTAL	11,833	6,029	54,604	30,303	102,769
Approximate S. C. Use	100%	100%	30%	15%	38%

SOURCE: FPC Form 1 for privately owned utilities; Electric System Expansion Revenue Bonds, 1979 Series A for SCPSA

As can be seen in the above table, the bulk of electric power is generated by steam, with nuclear power second. Since the early 1970's, nuclear power has become an increasingly important energy source.

Currently, there are four nuclear plants operating in the State and six additional plants under construction.

SALES OF ELECTRIC POWER BY PRIVATELY OWNED ELECTRIC UTILITIES
IN SOUTH CAROLINA
Kilowatt Hours Sold
(In Millions)
Calendar Years
1970, 1978-1979

Type	1970	1978	KWH Sold 1979	Percent Change '78-'79	Percent Change '70-'79
Commercial	3,240.5	5,583.7	5,426.3	-2.8%	67.5%
Industrial	10,035.3	14,175.4	14,505.3	2.3	44.5
Residential	5,167.9	8,138.9	7,910.8	-2.8	53.1
Additional Sales*	3,554.1	4,489.9	3,939.8	-12.3	10.9
Total Sales	21,997.8	32,387.9	31,782.2	-1.9	44.5

*Includes sales to municipal and street lighting, municipal for resale, REA cooperatives and other electric companies. Does not include statistics of South Carolina Public Service Authority (Santee-Cooper).

Source: South Carolina Public Service Commission

Sales of electric power by the privately owned electric utilities in the State decreased almost 2% in 1979. The decline can be attributed to the mild winter in the State and also to widespread conservation efforts. Energy savings have been made by all categories of users in order to cut demand and offset the rapidly rising cost of energy.

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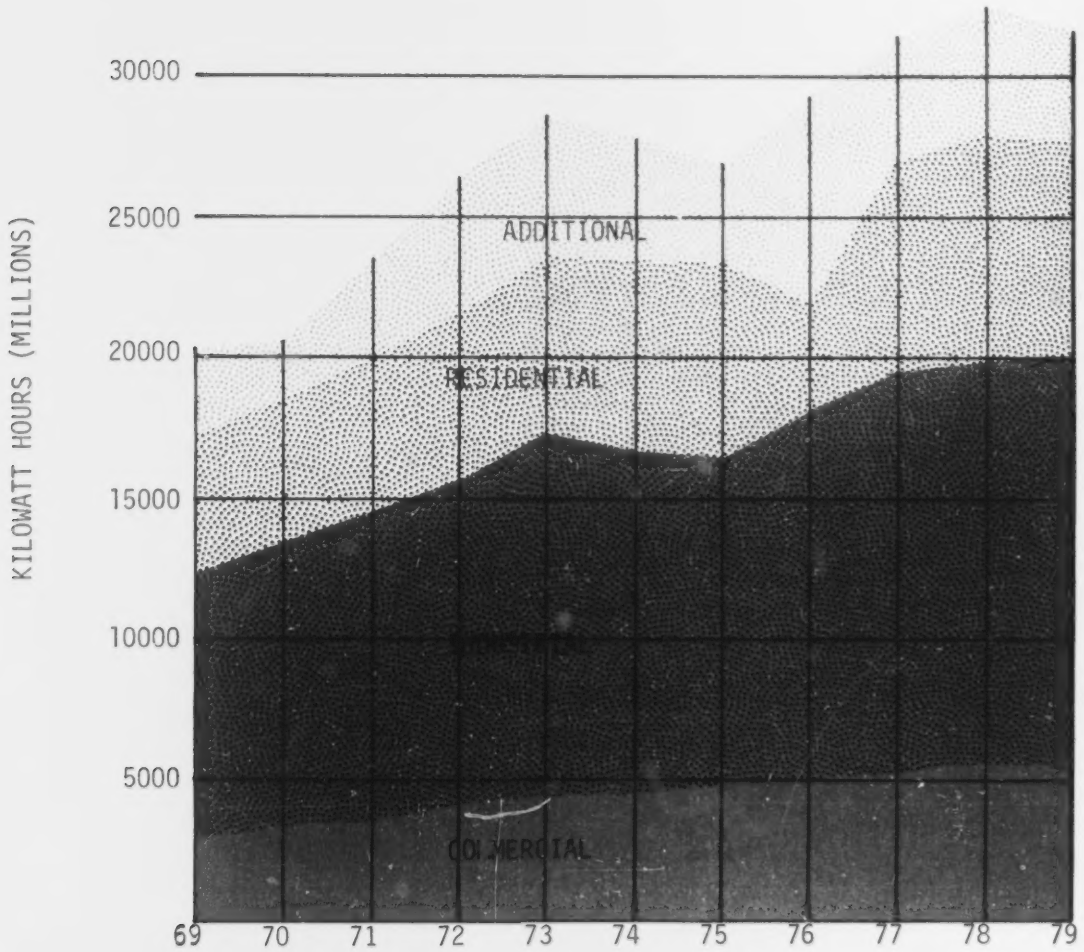
ANNUAL KILOWATT HOUR SALES BY PRIVATELY-OWNED UTILITIES
IN SOUTH CAROLINA

1969-1979



Source: South Carolina Public Service Commission, Annual Report

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Since 1970, and particularly since 1973, the cost of electricity has been continually rising. Inflation and increased demand for electricity, straining capacity, have combined to contribute to these rising prices. Prior to 1970, the cost of electricity had been decreasing primarily due to increased efficiency in electricity generation. As electrical production increased, the cost per unit declined. However, by 1970 the generating capacity of existing power plants was being maximized and capital needs for additional plants were required. As more generating plants were required to meet demand, inflation impacted heavily on these capital intensive industries both in the cost of capital required and in the equipment needed for expansion. Higher fuel costs have also impacted heavily on costs which were reflected in higher rates. There has been a movement in recent years away from relatively expensive fuels such as oil and natural gas to the less expensive generation of electricity from nuclear power. The extent to which this trend continues in the next decade may depend as much on government regulations in the aftermath of the Three Mile Island type incidents and final resolution of issues associated with managing spent nuclear fuel and nuclear waste, as on price advantages.

RESIDENTIAL ELECTRIC SERVICE: PRIVATELY-OWNED ELECTRIC UTILITIES
Calendar Years
1970, 1978-1979

Service	1970	1978	1979	Percent Change '78-'79	Percent Change '70-'79
Revenue (In Millions)	$ 92.4	$320.8	$338.85	5.6%	266.8%
Number of Customers	528,219	654,044	666,545	1.9	26.2
Kilowatt Hours (In Millions)	5,167.9	8,138.9	7,910.8	-2.8	53.1
Average Rate (Cents per KWH)	1.787	3.942	4.283	8.7	139.7
Kilowatt Hours per Customer	9,784	12,444	11,868	-4.6	21.3
Average Annual Bill	$174.93	$490.50	$508.37	3.6	190.6

Source: South Carolina Public Service Commission

Since 1970, the average bill for residential customers has risen from $174.93 to $508.37, an increase of 191%. A proportion of this sharp jump can be attributed to an increase in usage of 21% in kilowatt hours per customer. However, the largest portion is due to the rise in the price of electricity. The average rate per kilowatt hour (KWH) has risen 140% from 1.79¢ in 1970 to 4.28¢ in 1979.

In order to meet the increasing demand for electricity, each of the major electric utilities is planning new generation plants and transmission and distribution systems. A utility company must be prepared to meet the largest instantaneous demand (or peak load) in order to supply all customers with power. The utility must accurately predict its peak demand five to ten years in advance, the time it takes to make new generation facilities available. A reserve margin of at least 15% above peak demand must also be included in the forecast of capacity.

EXISTING CAPACITY AND PEAK 1979 DEMAND, IN MEGAWATTS*

Type	SCE&G	SCPSA	DUKE	CP&L
Steam	2,372	1,142	7,417	3,851
Nuclear	0	0	2,580	2,245
Hydroelectric	244	130	842	226
Combustion Turbine	265	184	599	1,293
Pumped Hydro	512	0	610	0
TOTAL	3,393	1,456	12,048	7,615
Highest Hourly Demand	2,299	1,241	9,844	5,907

* A Megawatt of capacity provides the ability to generate one megawatt or 1,000 kilowatts per operating period.

Source: FPC Form 1 for privately owned utilities; Electric System Expansion Revenue Bonds, 1979 Series A for SCPSA.

VALUE, BONDING, DEBT, CURRENT AND EXPECTED CUSTOMER INVESTMENT
NUMBER OF VOTING SECURITIES (STOCKS) AND SECURITY HOLDERS
DECEMBER 31, 1979

Type	SCE&G	DUKE	CP&L
Value of Total Utility Plant	$1.8 Billion	$6.1 Billion	$3.9 Billion
Long Term Bonding Debt	$648.4 Million	$2.2 Billion	$1.4 Billion
Current Investment on Construction in Progress	$490.4 Million	$2.2 Billion	$1.3 Billion
Expected Investment to Complete Construction in Progress	$135.4 Million	$17.3 Billion	$4.7 Billion
Number of Voting Securities	24.2 Million	79.2 Million	43.6 Million
Number of Stockholders	57,746	120,218	102,414

SOURCE: FPC Form 1, for privately-owned utilities; Electric System Expansion Revenue Bonds, 1979 Series A for SCPSA.

The demand for electricity in South Carolina is expected to increase approximately 5% a year during the next decade. In order to meet this demand, new generating facilities are currently under construction by the major utilities. About four billion dollars has been invested in current construction and it is expected that another $17 billion will be required in order to complete these projects.

MAJOR GENERATING UNITS UNDER CONSTRUCTION IN THE CAROLINAS
As Of January 1, 1980

Units	Type	Size-MW	Expected Completion Date
SCE&G			
Summer Nuclear Station, Jenkinsville, S.C.	Nuclear	900 (1/3 Owned by PSA)	1980
SCPSA (Santee-Cooper)			
Winyah #3, Georgetown, S.C.	Coal	280	1980
1/3 Share of Sumner Nuclear Station	Nuclear	(300)	1981
Winyah #4, Georgetown, S.C.	Coal	280	1982
Cross #2, Cross, S.C.	Coal	450	1983
Cross #1, Cross, S.C.	Coal	450	1985
DUKE Power			
Facilities In S.C.			
Catawba #1, York Co., S.C.	Nuclear	1,145	1984
Catawba #2, York Co., S.C.	Nuclear	1,145	1985
Cherokee #1, Cherokee Co., S.C.	Nuclear	1,280	1990
Cherokee #2, Cherokee Co., S.C.	Nuclear	1,280	1992
Cherokee #3, Cherokee Co., S.C.	Nuclear	1,280	Not Assigned
Bad Creek, Salem, S.C.	Pumped Storage	250	1991
Facilities In N.C.			
Perkins #1, Davie Co., N.C.	Nuclear	1,280	Not Assigned
Perkins #2, Davie Co., N.C.	Nuclear	1,280	Not Assigned
Perkins #3, Davie Co., N.C.	Nuclear	1,280	Not Assigned
Wm. B. McGuire #1, Charlotte, N.C.	Nuclear	1,180	1981
Wm. B. McGuire #2, Charlotte, N.C.	Nuclear	1,180	1982
CP&L			
Roxboro, Roxboro, N.C. Addition	Coal	720	1980
Mayo, Person Co., N.C.	Coal	1,440	1985
Harris, Bonsal, N.C.	(4) Nuclear Units	3,600	1991

Source: South Carolina Energy Research Institute

Natural Gas

In 1979, customers served by natural gas utilities in South Carolina declined for the second consecutive year. Total customers decreased by almost 1,000 or one-half of 1%. Although in percentage terms, the decline seems insignificant, the decrease reflects the recent uncertainty of availability of natural gas supplies throughout the nation. Due to the supply situation over the past few years, many gas utilities were forced to curtail expansion of their residential, industrial and commercial "firm gas" markets. Some limitations were also placed on segments of the industrial "interruptible gas" market, although in the past year, natural gas did become more available. Due to the uncertainty of the past few years, the market for natural gas in terms of customers has not developed as had earlier been anticipated, and many customers particularly residential and the smaller commercial users, have converted to other sources of fuel.

CUSTOMERS SERVED BY NATURAL GAS UTILITIES IN SOUTH CAROLINA*
Fiscal Years**
1978-1979

Type	1978	1979	Percent Change 1978-1979
Residential	206,750	205,915	-0.4%
Commercial & Smaller Industries	19,343	19,420	-0.4
Large Industries	757	781	3.2
Sale for Resale	13	13	0
TOTAL CUSTOMERS	226,863	226,129	-0.3

* Figures include six private utilities only.
** Ends March 31 of following year.

Source: South Carolina Public Service Commission.

NATURAL GAS SERVICE TO RESIDENTIAL CUSTOMERS IN SOUTH CAROLINA*
Fiscal Years**
1978-1979

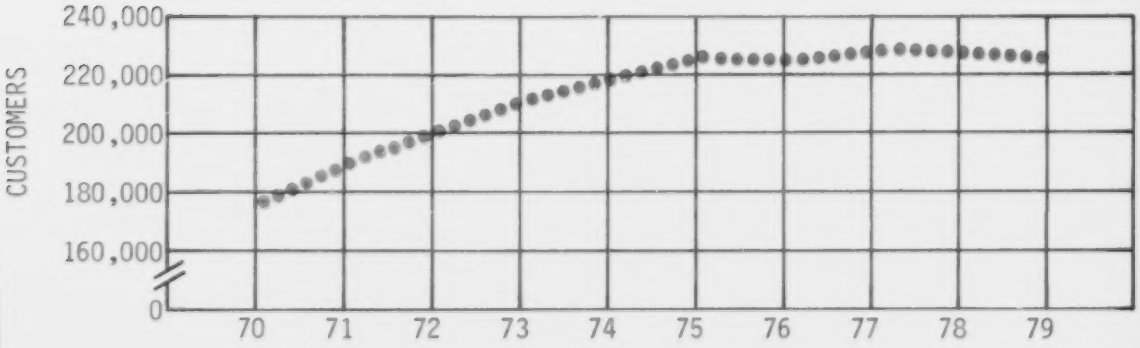
Service	1978	1979	Percent Change 1978-1979
Residential Customers	206,750	205,915	-0.4%
Residential Gas, Sales, MCF	16,483,652	14,875,517	-9.8
Average Use Per Customer, MCF	79.7	72.2	-9.4

* Figures include six private utilities only.
** Ends March 31 of following year.

Source: South Carolina Public Service Commission

Allocations of natural gas for South Carolina are controlled by the federal government. Gas is transported to South Carolina by two interstate pipeline companies: Transcontinental Gas Pipe Line Company and Southern Natural Gas Company, which furnish gas to natural gas authorities and municipally owned gas utilities, as well as to the six privately-owned utilities.

TOTAL CUSTOMERS SERVED BY NATURAL GAS UTILITIES IN SOUTH CAROLINA
1970-1979

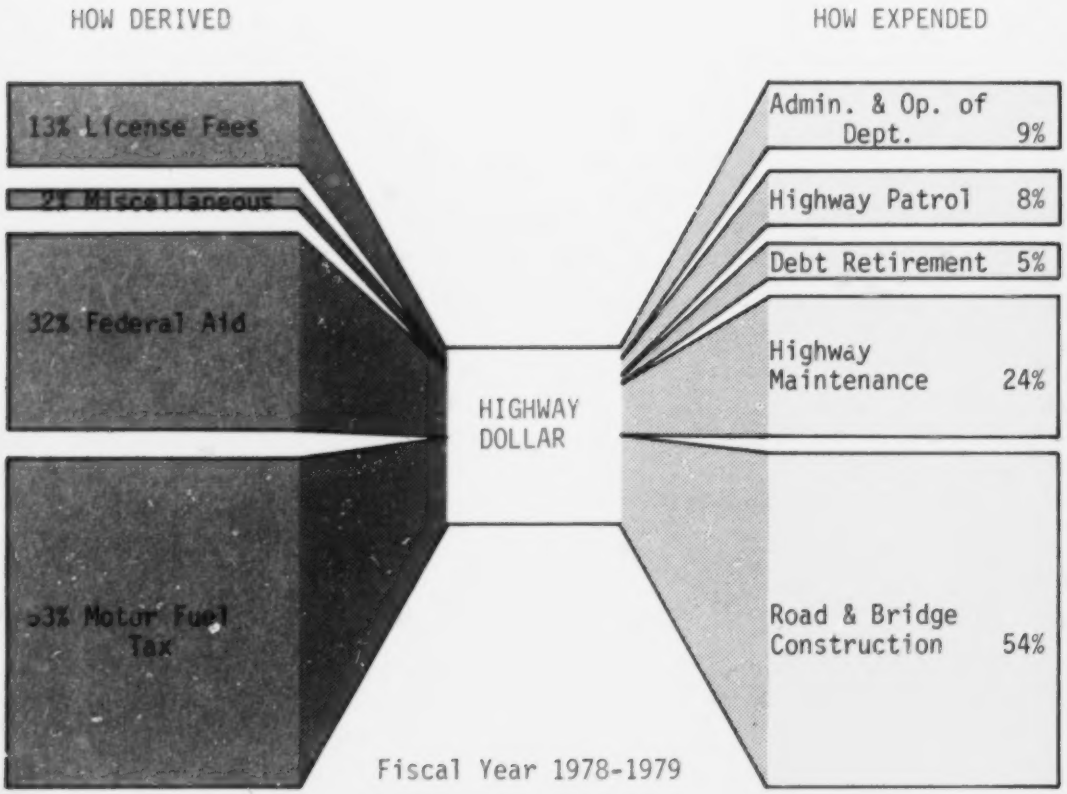


TRANSPORTATION

TRANSPORTATION

Highway

The South Carolina Department of Highways and Public Transportation is responsible for the planning, construction and maintenance of the State highway system, approximately 39,075 miles of roadways. The largest component of the South Carolina highway system is the 28,964 miles of secondary roads, serving urban and rural areas on all but 1,301 miles of paved roads. Encompassing the other main highway arteries throughout the State are 9,339 miles of primary highways and 772 miles of authorized interstate highways.



Source: Annual Report of South Carolina Department of Highways and Public Transportation for 1978-1979

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During fiscal year 1978-1979, the South Carolina Department of Highways and Public Transportation reported total revenues of $287 million and total expenditures of $288 million.

Major contributors to total revenue during the 1978-1979 fiscal year were a 5% increase in the motor fuel tax and a 22.6% increase in federal aid. Federal grants in aid receipts amounted to $91 million during fiscal year 1979, an increase of 22.6% over the $74 million in fiscal year 1978.

The largest expenditure of the 1978-1979 highway dollar was for road and bridge construction, which accounted for 53.8% of total expenses. Highway construction expenditures rose 24.2% from fiscal year 1978 to a total of $155 million in 1979, due primarily to the completion of authorized interstate construction programs. By the end of fiscal year 1979, 703 miles of interstate highway and 45 major bridge projects were completed. Major bridges completed include a new underpass under the SCL Railroad on Road S-92 (Cheves Street) in Florence, and a new bridge over Broad River and Columbia Canal on the eastbound lanes of I-126 west of Columbia.

License fees increased 10.9% to $37 million, as the Highway Department put into effect the staggered vehicle registration renewal plan. The motor fuel tax brought in $153.5 million.

Interstate 77, authorized in 1968 between Columbia and Charlotte, North Carolina, is scheduled for completion in late 1982. Contracts were awarded during the year for paving with continuously reinforced concrete pavement on I-77 from S.C. 9 in Chester County to U.S. 21 in York County for grading, drainage and paving on I-77 from U.S. 1 to S.C. 277, and from I-20 Interchange to Windsor Lake Boulevard adjacent to Columbia in Richland County. I-77 is complete and open to traffic from U.S. 21 south of Rock Hill to the North Carolina line, and at the southern end from S.C. 277 in Columbia to S.C. 34 near Ridgeway, roughly 25 miles of the 75-mile-long route.

During the 1978-1979 fiscal year contracts were awarded covering resurfacing, strengthening and improvements on I-85 from U.S. 25 in Greenville County to near S.C. 86 in Anderson County, on I-26 from S.C. 11 to the North Carolina State Line in Spartanburg County, and on I-85 from S.C. 129 to near I-26 in Spartanburg County.

Advanced transportation planning, as required by the 1962 Federal Aid Highway Act, continued in the major urban areas of Charleston, Columbia, Greenville, Spartanburg and North Augusta. The six-year Transportation Improvement Program, as well as an annual one-year implementation program, was prepared and maintained in each of these five cities. Traffic counts necessary to monitor and update traffic flow data were conducted in each of these urban areas and select counting was done in five smaller urban and other special sections. The major objective of this transportation planning process is to determine long-range transportation needs and to implement necessary improvements in an orderly fashion. Additionally the South Carolina Department of Highways and Public Transportation is responsible for achieving this goal through its efforts such as promoting car pooling and van pooling, and coordinating public transportation.

HIGHWAY CONSTRUCTION AWARDS IN SOUTH CAROLINA

Fiscal 1978-1979

(Thousands of Dollars)

Federal Aid Programs	
Interstate	$ 39,230
Primary/Urban	23,498
Secondary	9,847
Forest Highways	214
Appalachian Access Road Program	2,382
Highway Planning Research	1,584
State Programs	
"C" Secondary	31,045
Primary/Urban	18,391
State Bridge Replacement	556
Other	46,691
TOTAL	$173,438

Source: Annual Report of the South Carolina Department of Highways and Public Transportation to the General Assembly

AIR TRANSPORTATION

In 1979, air transportation activity in South Carolina was similar to air transportation in the national economy--generally spotty, with some segments showing a decrease, some showing no change and some showing increases. There are three major categories of air transportation activity in South Carolina: general aviation, major airline operations and commuter airline operations.

General aviation activity in 1979 was down slightly--about 1.2 percent from 1978. Statistics from eight airports having a Federal Aviation Administration Control Tower show 480,288 operations (take offs and landings) during 1979, 5,712 less than in 1978. The decline is attributable mostly to inflation and higher cost of fuel. General aviation includes traffic of a local nature such as instructional flights, pleasure trips, agricultural spraying as well as through-traffic from out of state.

An apparent result of the greater ease of entry and abandonment of markets of the Airline Deregulation Act was a decrease in 1979 of 57% from 1978 in the number of major airline operations in South Carolina. In 1979, South Carolina was served by Delta, Eastern, Piedmont and Republic Airlines. These airlines have flights into and out of Columbia, Greer (Greenville-Spartanburg), Florence, Myrtle Beach and Charleston. The number of airline operations in 1979 was 77,700 compared to 135,000 the previous year.

However, as the larger airlines left markets they considered unprofitable, smaller commuter lines quickly moved in to fill the demand. Commuter operations were up more than 100 percent in 1979 to nearly 30,000.

A healthy and well-maintained system of airports is vital to the economic well-being of South Carolina. Adequate aviation facilities are high on the list of requirements for industrialists and businessmen searching for new plant and business sites. The South Carolina Aeronautics Commission has an ongoing program of airport development and improvements, and the stated goal of having at least one paved, lighted airport in each county of the State. At present, only Cherokee County is without such a facility. In 1978 work was completed on an improved grass strip in McCormick County, a county which previously had no air facility. That runway is scheduled for paving in 1980. All other counties are able to accommodate at least medium-sized twin-engine craft; a few, such as the 5,000 foot strip in Lancaster, can accommodate large business jets easily.

In 1979, $1.3 million in State funds was disbursed to 12 airports for various Federal and non-Federal projects, including runway overlays, lighting systems, fencing, terminal buildings, visual approach slope indicators and similar improvements. Airport improvements in South Carolina are made on the basis of need, with those items required for safe operations heading the top of the priority list.

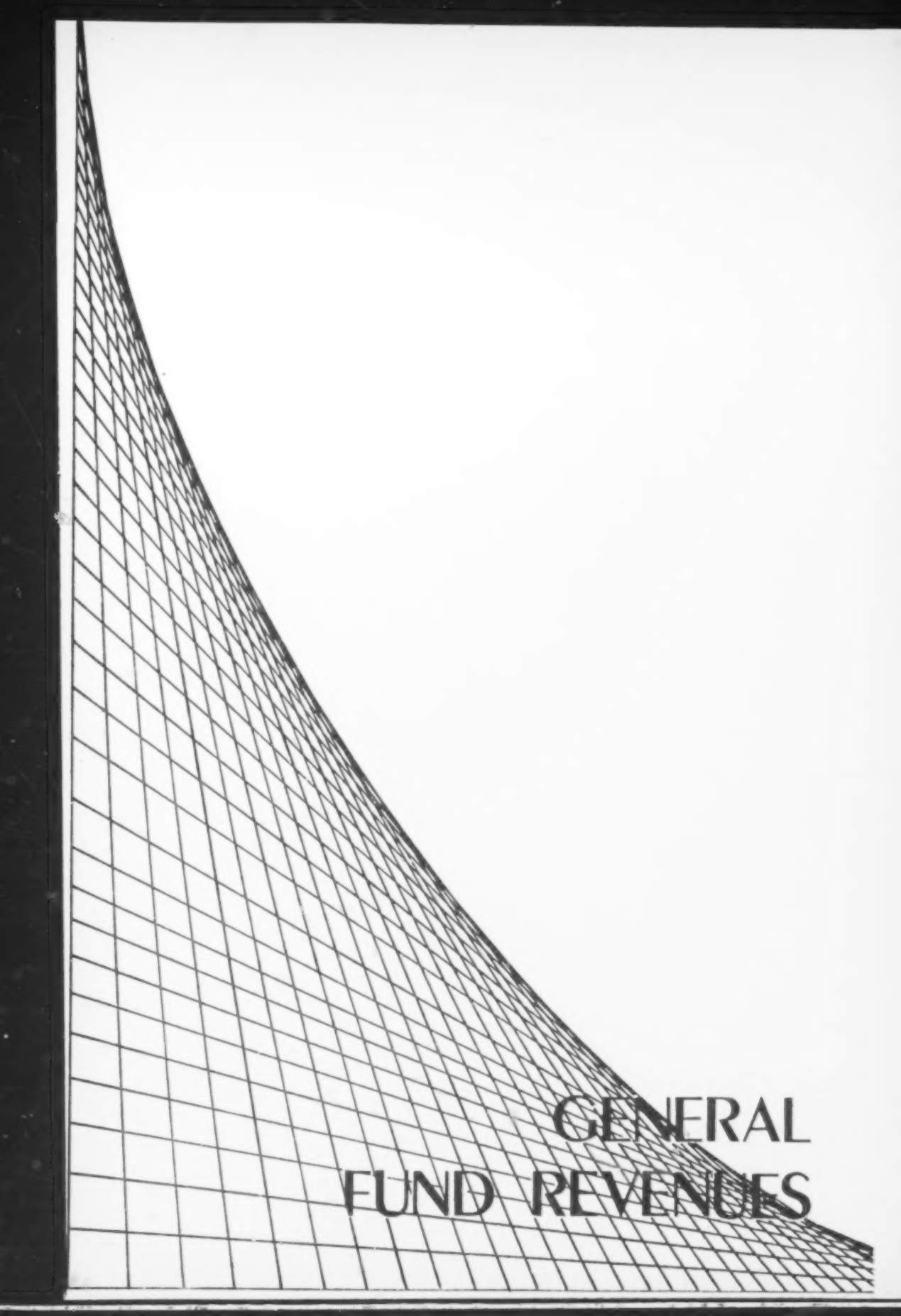
PORTS

South Carolina port operations, consisting of three modern and efficient coastline ports (Georgetown, Charleston and Port Royal) and an inland jet port (Greenville/Spartanburg Airport), have, by some estimates, a statewide economic impact of more than $1.3 billion per year. Total investment in port facilities is more than $98 million, with replacement value estimated at over $250 million. Some 1,500 firms utilize these port facilities regularly. It has been estimated that South Carolina ports save manufacturers nearly $12 million per year in overland transportation costs by shipping through State ports rather than other ports.

The Port of Charleston, hub of South Carolina's port activities, handles more than four million tons of general and dry bulk cargo per year. Currently, Charleston's port ranks twelfth among all United States seaports in value of trade, and ninth in volume of containerized cargo. Since 1970, containerized cargoes have grown at an accelerated rate, reaching over 1.9 million tons in calendar 1979. The total value of foreign general cargo trade through Charleston was $3.2 billion in calendar year 1978, with 60% of this trade originating or terminating entirely within South Carolina. Presently, international trade through Charleston is composed of approximately 61% export and 39% import. By contrast, in 1973, 70% of Charleston's cargo was imports. South Carolina imports are mainly inputs used in the State's textile, wood products and durable manufacturing industries.

South Carolina's exports consist of manufactured products such as chemicals and allied products, nonelectrical machinery, paper and textile mill products. In addition, approximately 30% of the total value of South Carolina's agricultural production, the highest ratio in the nation, is exported through the State's port facilities. About 50% of trade through South Carolina ports is with Europe, 30% with the Far East and 20% with the remainder of the world.

The outlook for South Carolina's port activities are extremely bright. The economic slowdown in the State and nation may result in temporary reduction in trade activities but even this should be slight. The Wando River project is expected to meet further demands for port services into the 1990's. In the next few years Charleston channels will be deepened to forty feet, capable of handling the bulk of the world's general cargo shipping. At the Port of Port Royal, State funds have been approved for construction of a major Seafood Industrial Park which should enhance future commercial fishing along the South Carolina coast.


GENERAL
FUND REVENUES

GENERAL FUND REVENUES

The General Fund is the State's largest and most essential revenue generating fund group. It represents a composite of revenue sources derived from taxation, licenses, fees and all institutional and departmental revenues or collections including income from the sale of commodities and services or other activities which provide funds for the fiscal operation of State government.

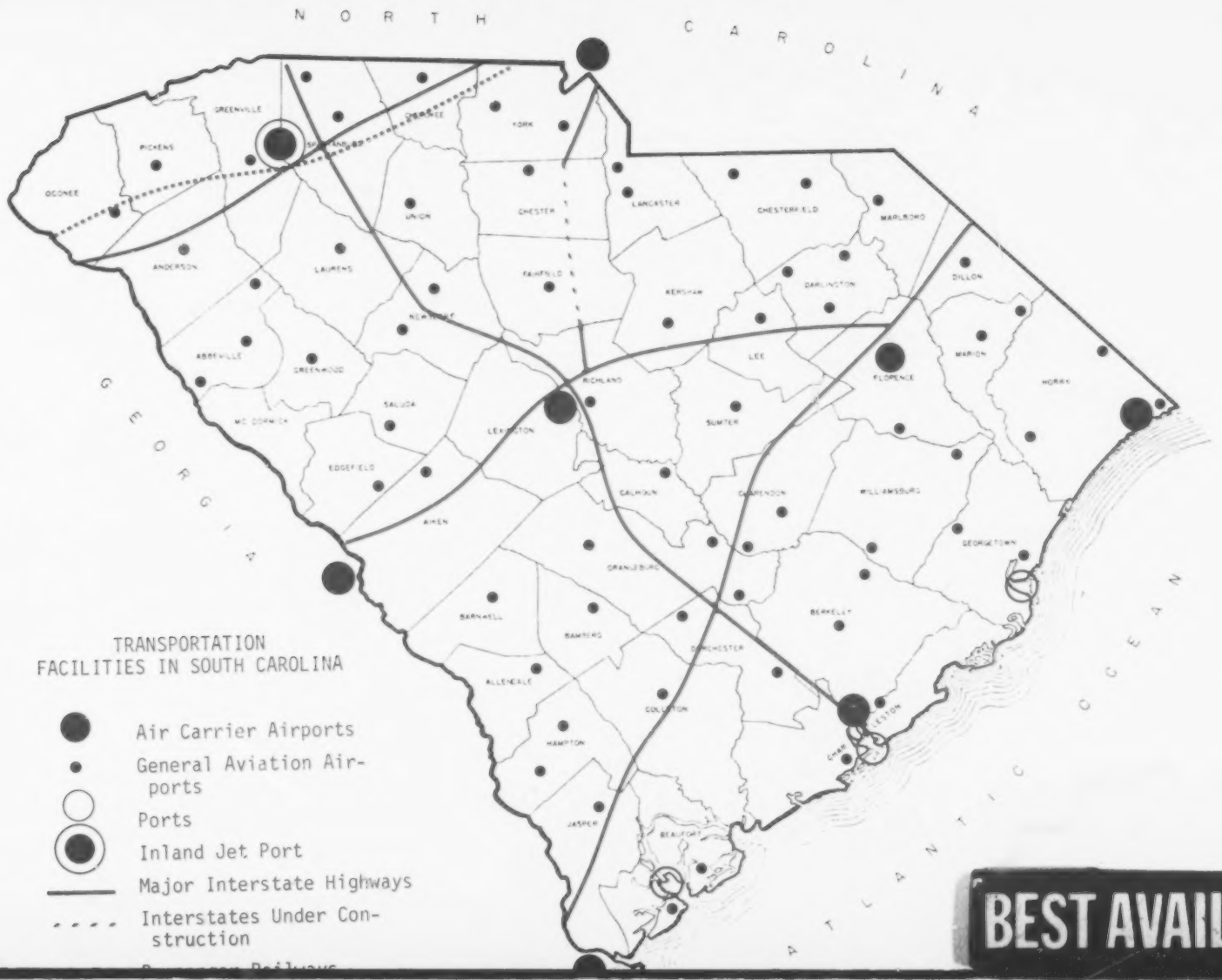
The various revenues making up the General Fund are categorized into three source descriptions for accounting purposes in the fiscal State Budget: Regular Sources, Miscellaneous Sources and Federal Revenue Sharing funds.

Regular Sources is comprised of only those revenues which are established bases of income from year to year. They are the Sales and Use Tax, the Income Taxes (individual and corporation) and an All Other segment encompassing all Regular Source revenues other than Sales and Income.

Miscellaneous Sources consists of additional revenues that are not as predictable as collections from Regular Sources. Generally, this classification incorporates, among others: 1) those receipts which do not always recur in succeeding years, often labeled as "windfall" revenues and 2) first year collections of newly enacted taxes.

Revenue Sharing is also computed separately since it is a direct form of federal aid to the State and is not a normal source of State revenue. This fund source has fluctuated according to the prescription formula for any one entitlement period under the provisions of the State and Local Fiscal Assistance Act of 1972 and 1976. It historically included General Revenue Sharing funds, Federal Anti-Recession Aid funds and interest received from investment of these accounts during the applicable fiscal year. The remainder of the "Windfall Revenue Sharing" fund (based upon allotments and interest received by the State for the funding period January 1, 1972 through June 30, 1973) was exhausted in Fiscal 1978-79 for capital outlay appropriations. No additional Anti-Recession Aid is anticipated. The future is uncertain as to the eventual structuring and allotment of General Revenue Sharing for State purposes commencing with the federal budget in fiscal year 1981.

The table on the following page depicts the actual growth of General Fund Revenue by major source description for fiscal years 1977-78 and 1978-79 and lists the growth forecasts of fiscal years 1979-80 and 1980-81 based on the latest estimates of the Board of Economic Advisors.



TRANSPORTATION
FACILITIES IN SOUTH CAROLINA

- Air Carrier Airports
- General Aviation Airports
- Ports
- Inland Jet Port
- Major Interstate Highways
- Interstates Under Construction

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SUMMARY OF ESTIMATES FOR 1979-1980 AND 1980-1981 GENERAL FUND REVENUE SOURCES BY MAJOR CATEGORIES

(Amounts in Millions)

Item	Actual		Estimates[1]		Percent Changes[2]		
	1977-1978	1978-1979	1979-1980	1980-1981	'77-'78 to '78-'79	'78-'79 to '79-'80	'79-'80 to '80-'81
Regular Sources							
Sales Tax	$ 471.6	$ 525.9	$ 576.0	$ 633.9	11.5%	9.5%	10.1%
Income Tax	470.7	551.9	633.2	704.0	17.3	14.7	11.2
Individual	351.2	416.3	486.2	552.0	18.6	16.8	13.5
Corporate	119.5	135.5	147.0	152.0	13.5	8.5	3.4
All Other	262.5	287.1	306.0	323.0	9.4	6.6	5.6
Total-Regular Sources	$1,204.7	$1,364.8	$1,515.2	$1,660.9	13.3	11.0	9.6
Total- Miscellaneous Sources	37.3	30.7	39.4	32.0	-17.8	28.5	-18.9
Total-Revenue Sharing	35.3	31.4	31.5	31.0	-11.1	0.5	-1.6
Total-General Fund Revenue	$1,277.3	$1,426.8	$1,586.1	$1,723.9	11.7	11.2	8.7

1/ April, 1980 estimates of Board of Economic Advisors. These estimates will not agree with the official State detail budget figures released January, 1980.
2/ Percentage changes are based on unrounded figures.

Note: Detail may not add to total due to rounding.
Source: South Carolina Division of Research and Statistical Services, Budget & Control Board.

The existence of higher than anticipated inflationary pressures and a prolonging of the long-awaited recession required a $24 million upward revision of General Fund Revenue in April 1980 tc a new total of $1.586 billion. At the time of this writing one month remains in the current fiscal year. The outlook is favorable for attaining a possible additional increase of $7-$9 million over and above the official $1.586 billion projection, or a potential 0.5% gain over this Fiscal 1979-80 economic forecast as the national economic downturn has not yet taken hold on the South Carolina economy.

ANALYSIS OF MAJOR REVENUE CATEGORIES

SALES AND USE TAX

Sales growth moderated during Fiscal 1978-79. Consumer spending began leveling off as price increases for energy and other essentials coupled with higher credit costs lessened gains in real disposable income. Collections of $525.9 million (11.5% growth) for Fiscal 1978-79 reflected such conditions. Receipts are expected to approach $576 million during Fiscal 1979-80 and $633.9 million in Fiscal 1980-81, gains of 9.5% and 10.1%, respectively.

Business activity has remained fairly stable through April 1980 despite recent downturns for the construction and transportation components of sales establishment data. The after shocks of credit tightening measures enacted by the Federal Reserve Board are just beginning to make inroads into consumer buying practices. The recession and the continued erosion of real purchasing power should have its greatest impact on the relative growth for retail sales during the final two quarters of calendar year 1980.

The following table shows the relationship between State personal income growth and estimated taxable sales receipts. The anticipated decline in fiscal years 1979-80 and 1980-81 is indicative of a retrenchment by consumers. Decreased growth for personal income, the existing high debt burden and the certainty of yet steeper energy and transportation costs preclude any significant gains for housing and tourism over the next year.

ESTIMATED NET TAXABLE SALES,

SOUTH CAROLINA PERSONAL INCOME AND RATIO OF SALES TO PERSONAL INCOME

Selected Fiscal Years

1970-1981

(In Millions of Dollars)

Fiscal Year	Sales Tax Calculated at 4%	Net Taxable Sales[1]			Personal Income[2]	Ratio (%) of Sales to Personal Income
		Amount	Change Over the Year			
			Net	Percent		
1969-1970	$192.6	$ 4,815	$ 222	4.8%	$ 7,400	65.1%
1975-1976	372.6	9,315	872	10.3	13,987	66.6
1976-1977	415.3	10,383	1,068	11.5	15,438	67.3
1977-1978	471.6	11,790	1,407	13.6	17,244	68.4
1978-1979	525.9	13,148	1,358	11.5	19,481	67.5
1979-1980E	576.0	14,400	1,252	9.5	21,748+	66.2
1980-1981E	633.9	15,848	1,440	10.1	23,614+	67.2

[1]Calculated from Sales Tax Collections.
[2]Quarterly Data Averaged to Fiscal Year Basis (July 1 - June 30)

E = Estimates
+ = Office of Chief Economist, SCOPE Model, April, 1980.

Source: United States Department of Commerce, Bureau of Economic Analysis

South Carolina Budget and Control Board, Division of Research and Statistical Services

INDIVIDUAL INCOME TAX

The Individual Income Tax exceeded the $415 million projection for Fiscal 1978-79 by 0.3%. Total net revenue of $416.3 million reflected a $65.1 million, or 18.6%, increase over the previous fiscal year. Receipts for Fiscal 1979-80 are estimated to approach $486.2 million, a 16.8% increase. Collections for Fiscal 1980-81 are forecast to be $552 million, a gain of 13.5% over the 1979-80 estimate.

Population growth, surpassing the national average, vigorous capital investment for new and expanded manufacturing plants and further diversification of the State's industrial base toward durable goods manufacturing have made for a more recession-resistant economy. Although inflation has decreased real personal income growth, higher salaries and a stable employment environment have enhanced the income base for Individual Income Tax revenue.

A total of 1,346,992 Individual Income tax returns were filed in Fiscal 1978-79 based upon 1978 (calendar year) income. This denotes a 5.5% gain over the previous year. The average gross calculated tax per return rose to $272 from $239 in 1977 reflecting a 13.8% increase per taxpayer. These figures coincide with a 1% increase in population based upon a net gain of 30,000 persons from 1978 to 1979.

The preceding table reveals that South Carolina personal income and adjusted gross income both expanded at an average annual growth rate of 11.5% from 1970-1978, whereas individual income tax collections were up an average of 18.3%. The consistent rise of this tax relative to personal income growth is an expected by-product of the graduated nature of the income tax, yet the current sluggish prognosis for the economy may signal a leveling-off of the adjusted gross/personal income ratio in 1979 and 1980.

The impact of inflation on income tax revenue can be evidenced in the following shifts for the relative income tax burden of differing adjusted gross income classes. In 1970 only 4.6% of the population filed tax returns with incomes over $15,000 compared to 17.4% in 1978. The relative gross tax burden increased to 60.1% from 38.4% for this group in the same period. The proportion of total adjusted gross income for these classes climbed even higher to 43% in 1978 from 17% in 1970.

NUMBER OF RETURNS, ADJUSTED GROSS INCOME, AND INCOME TAX
FOR SELECTED INCOME CLASSES IN SOUTH CAROLINA
1978

Income Class	Number of Returns[1]/	Adjusted Gross Income[2]/ (Thousands)	Gross Calculated Tax (Dollars)	Average Gross Calculated Tax Per Return (Dollars)
No Gross Income	8,133	$ 0	$ 0	$ 0
Under $1,000	55,536	33,122	56,660	1.02
$1,000-$1,999	86,345	129,446	792,989	9.18
$2,000-$2,999	84,699	211,625	1,860,546	21.97
$3,000-$3,999	86,295	301,444	3,120,407	36.16
$4,000-$4,999	82,096	369,147	4,490,324	54.70
$5,000-$5,999	93,834	517,406	7,234,346	77.10
$6,000-$6,999	95,983	623,268	9,853,819	102.66
$7,000-$7,999	92,660	694,628	12,078,627	130.35
$8,000-$8,999	88,775	754,052	14,320,303	161.31
$9,000-$9,999	79,467	753,897	15,404,066	193.84
$10,000-$10,999	67,279	705,674	15,609,777	232.02
$11,000-$11,999	58,773	675,189	15,782,473	268.53
$12,000-$12,999	51,291	640,328	15,791,773	307.89
$13,000-$13,999	43,811	590,725	15,220,403	347.41
$14,000-$14,999	37,506	543,160	14,644,332	390.45
$15,000-$19,999	123,013	2,115,162	64,393,883	523.47
$20,000-$24,999	53,348	1,181,381	42,453,598	795.79
$25,000-$49,999	47,842	1,532,711	66,424,088	1,388.41
$50,000-$99,999	8,021	532,810	28,047,314	3,496.74
$100,000-$149,999	1,275	150,731	8,581,580	6,730.65
$150,000-$199,999	357	60,973	3,580,579	10,029.63
$200,000 and Over	341	118,019	7,057,090	20,695.28
Undistributed Returns Over $15,000[3]/	312	8,209	0	0
Column Totals	1,346,992	$13,243,109	$366,798,977	$ 272.31

Note: The above totals may not be directly comparable to that published by the S.C. Tax Commission due to the incorporation of additional returns.

1/: Includes joint returns

2/: Detail does not add to total due to rounding

3/: Nontaxable long form returns which are not distributed into detailed income classes.

Source: Division of Research and Statistical Services, S.C. Budget and Control Board, from data Supplied by the S.C. Tax Commission

GENERAL FUND REVENUE BY MAJOR CATEGORIES - IN MILLIONS OF DOLLARS

Category	Actual 70-71	Actual 73-74	Actual 74-75	Actual 75-76	Actual 76-77	Actual 77-78	Actual 78-79	EST. 79-80	PROJ. 80-81
REGULAR SOURCES									
Retail Sales Tax	$213.7	$314.7	$337.7	$372.6	$ 415.3	$ 471.6	$ 525.9	$ 576.0	$ 633.9
Income Tax	150.4	267.0	290.5	322.4	394.5	470.7	551.9	633.2	704.0
Individual	108.4	192.7	210.9	244.5	290.4	351.2	416.3	486.2	552.0
Corporation	42.0	74.3	79.6	77.8	104.1	119.5	135.5	147.0	152.0
All Other	140.5	201.5	216.4	219.8	237.0	262.5	287.1	306.0	323.0
TOTAL REGULAR SOURCES	$504.5	$783.2	$844.6	$914.7	$1046.8	$1204.7	$1364.8	$1515.2	$1660.9
MISCELLANEOUS SOURCES									
Debt Service Transfers 1/	0.0	0.0	0.0	18.5	22.9	20.9	22.7	23.9	22.5
Fines - Circuit & Family Courts	NA	NA	NA	NA	NA	0.8	1.0	0.8	0.8
Indirect Cost Rcoveries	NA	NA	NA	NA	NA	4.6	6.1	8.1	7.3
Unclaimed Property Fund	NA	NA	NA	NA	NA	0.5	0.0	0.0	0.0
Waste Treatment Loan Repayments	NA	NA	NA	0.9	0.9	0.7	0.4	0.4	0.4
Nonrecurring Revenues	NA	NA	NA	0.0	1.2	9.8	0.3	6.3	0.0
TOTAL MISCELLANEOUS SOURCES	$0.0	$0.0	$0.0	$19.4	$25.0	$37.3	$30.7	$39.4	$32.0
Revenue Sharing	$NA	$39.3 2/	$30.9 2/	$31.4 2/	$34.6 2/	$35.3	$31.4	$31.5	$31.0
GRAND TOTAL GENERAL FUND REVENUES	$504.5	$822.5	$875.5	$965.5	$1106.4	$1277.3	$1426.8	$1586.1	$1723.9

1/ Debt service transfers are Highway Department and Institution Bonds, not included in printed budget prior to 1975-1976.

2/ The above totals do not correspond with that published in, The S.C. State Budget, due to the incorporation of "Windfall Revenue Sharing Funds." These funds are now included to make the historical data consistent with the Budget treatment of Revenue Sharing beginning with FY 1977-78.

Note: Detail may not add to total due to rounding. EST: Estimate PROJ: Projection
Source: S.C. Budget and Control Board, Division of Research and Statistical Services.

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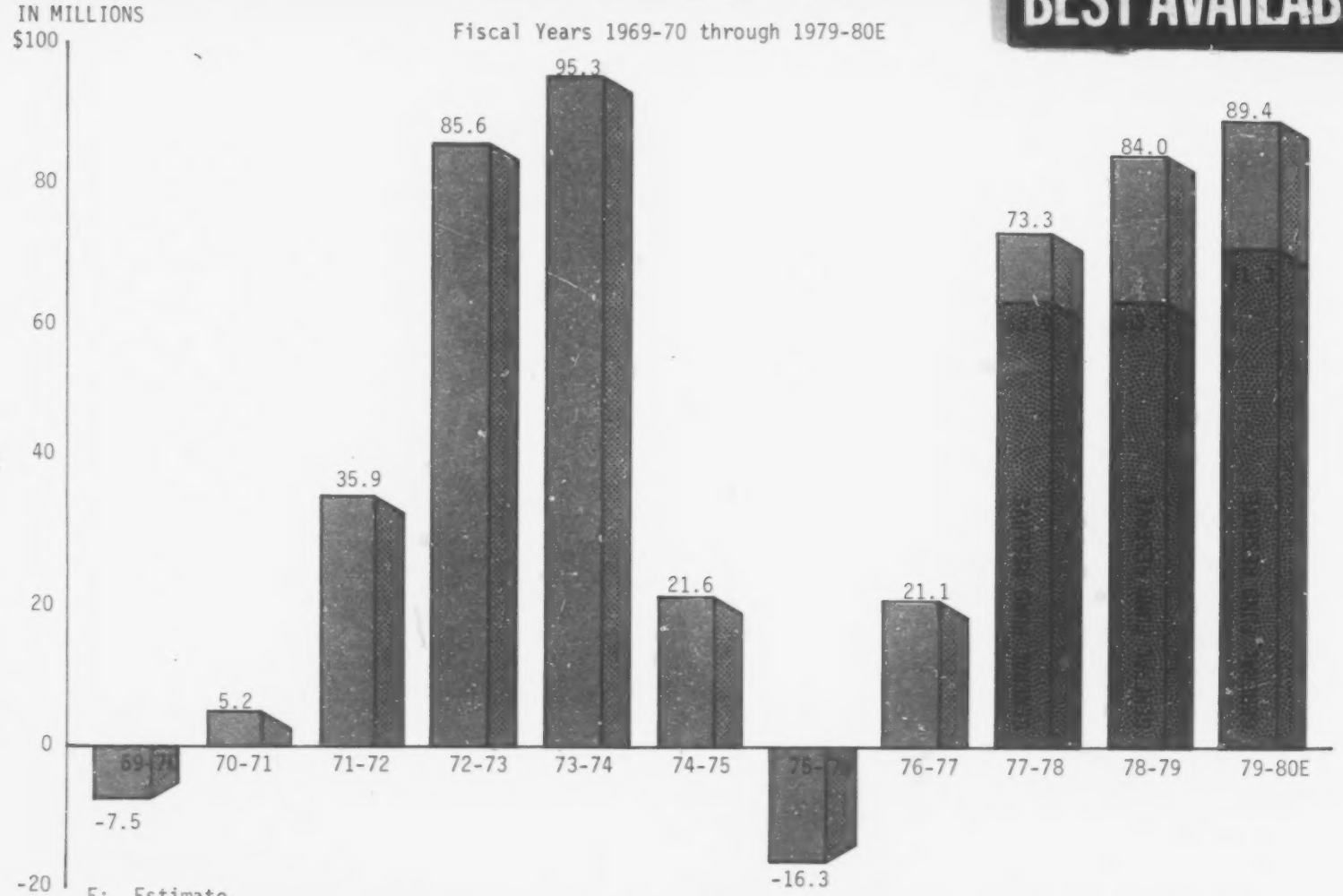
GENERAL FUND SURPLUS AND DEFICITS

Fiscal Years 1969-70 through 1979-80E



E: Estimate

Note: For additional information, consult The South Carolina State Budget, fiscal year 1980-81, VI, Schedule 2, pg. XX, January, 1980.

Source: South Carolina Budget and Control Board

ADJUSTED GROSS INCOME REPORTED ON SOUTH CAROLINA INDIVIDUAL INCOME TAX RETURNS, RELATIONSHIP TO SOUTH CAROLINA PERSONAL INCOME AND INDIVIDUAL INCOME TAX

Selected Calendar Years 1970-1980

(In Millions of Dollars)

Year	Adjusted Gross Income[1]	Personal Income	Ratio (%) Adjusted Gross To Personal Income	Individual Income Tax[2]	
				Amount	% of Personal Income
1970	$ 5,534	$ 7,668	72.2	$108.4	1.41
1975	9,148	13,133	69.7	244.5	1.86
1976	10,508	14,731	71.3	290.4	1.97
1977	11,653	16,260	71.7	351.2	2.16
1978	13,243	18,357	72.1	416.3	2.27
1979	14,794E	20,605	71.8	486.2	2.36
1980	16,419E	22,778E	72.1	552.0	2.42

1/ As reported on South Carolina Individual Income Tax returns.
Estimates were obtained by using a linear regression with Personal Income.

2/ For fiscal year lagging calendar year by six months.

E: Estimated

Sources: South Carolina Tax Commission
United States Department of Commerce, Bureau of Economic Analysis
South Carolina Budget and Control Board, Division of Research and Statistical Services.

PERCENT DISTRIBUTION
NUMBER OF RETURNS, ADJUSTED GROSS INCOME, AND INCOME TAX
FOR SELECTED INCOME CLASSES IN SOUTH CAROLINA - 1978

INCOME CLASS	NUMBER OF RETURNS 1/ % DISTRIBUTION	ADJUSTED GROSS INCOME % DISTRIBUTION	GROSS CALCULATED TAX % DISTRIBUTION
No Gross Income	0.6%	0%	0%
Under - $ 1,000	4.1	0.3	*
$ 1,000 - $ 1,999	6.4	1.0	0.2
$ 2,000 - $ 2,999	6.3	1.6	0.5
$ 3,000 - $ 3,999	6.4	2.3	0.9
$ 4,000 - $ 4,999	6.1	2.8	1.2
$ 5,000 - $ 5,999	7.0	3.9	2.0
$ 6,000 - $ 6,999	7.1	4.7	2.7
$ 7,000 - $ 7,999	6.9	5.2	3.3
$ 8,000 - $ 8,999	6.6	5.7	3.9
$ 9,000 - $ 9,999	5.9	5.7	4.2
$ 10,000 - $ 10,999	5.0	5.3	4.3
$ 11,000 - $ 11,999	4.4	5.1	4.3
$ 12,000 - $ 12,999	3.8	4.8	4.3
$ 13,000 - $ 13,999	3.3	4.5	4.1
$ 14,000 - $ 14,999	2.8	4.1	4.0
$ 15,000 - $ 19,999	9.1	16.0	17.6
$ 20,000 - $ 24,999	4.0	8.9	11.6
$ 25,000 - $ 49,999	3.6	11.6	18.1
$ 50,000 - $ 99,999	0.6	4.0	7.6
$100,000 - $149,000	0.1	1.1	2.3
$150,000 - $199,000	*	0.5	1.0
$200,000 and Over	*	0.9	1.9
Undistributed Returns Over $15,000 2/	*	0.1	0
Column Totals	100.0	100.0	100.0

Note: Detail may not add to total due to rounding
1/: Includes joint returns
2/: Nontaxable long form returns which are not distributed into detailed income classes.
* : Less than .05 percent
Source: Division of Research and Statistical Services, S.C. Budget and Control Board and the S.C. Tax Commission.

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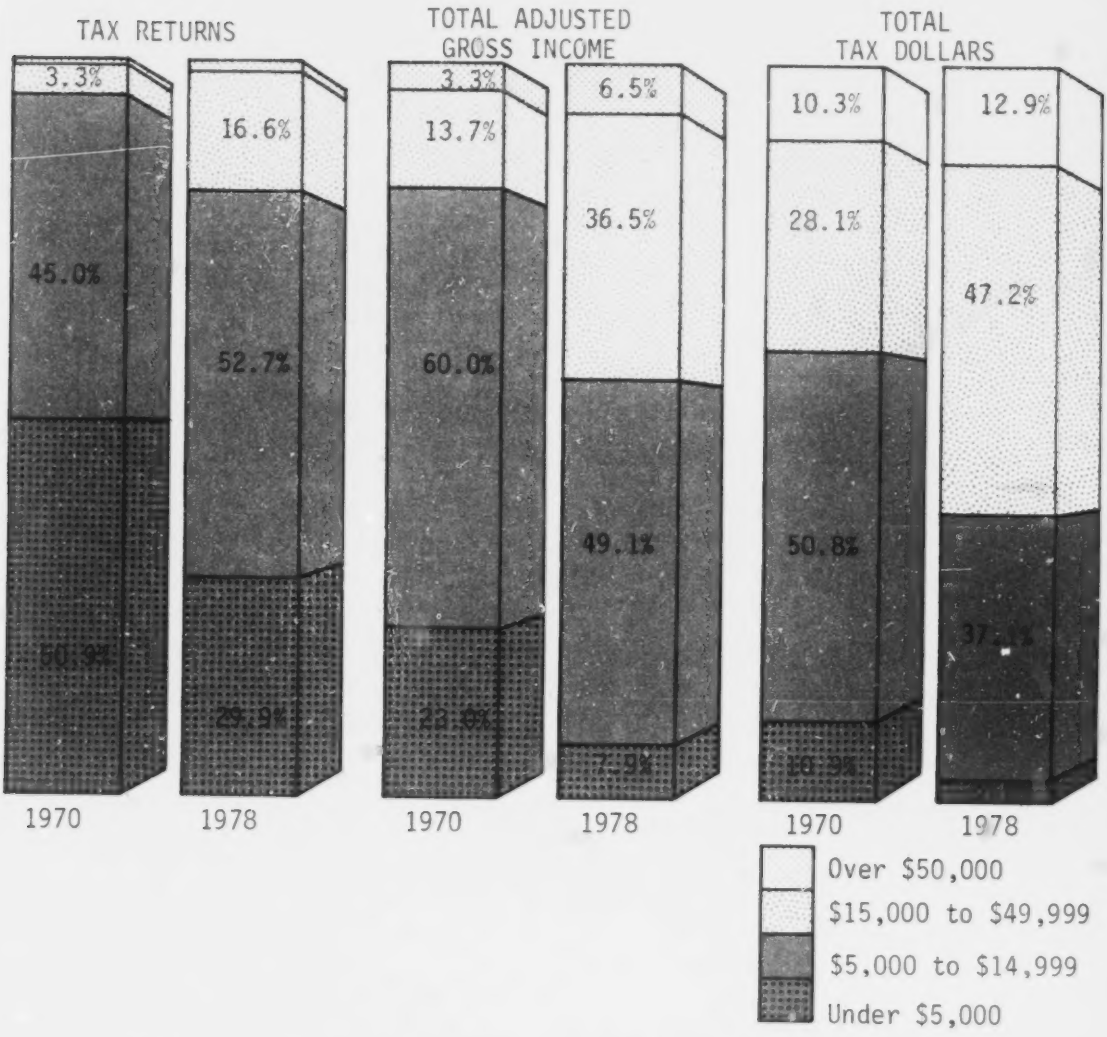
PERCENTAGE DISTRIBUTION OF INDIVIDUAL TAX RETURNS,
ADJUSTED GROSS INCOME AND RELATED TAX DOLLARS
FOR SELECTED ADJUSTED GROSS INCOME CLASSES

1970 versus 1978



Source: Division of Research and Statistical Services, from Tax Commission Tabulations

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CORPORATION INCOME TAX

Corporate tax collections are estimated to reach $147 million in Fiscal 1979-80 and $152 million in Fiscal 1980-81, gains of 8.5% and 3.4%, respectively. Receipts for Fiscal 1978-79 of $135.5 million denoted an increase of $16.1 million, or 13.5%, over the previous fiscal year. The prospect of limiting textile imports and the general devaluation of the dollar should enhance the outlook for the textile manufacturing sector although employment growth in the industry will continue to be moderate during the remainder of 1980 and into 1981.

Industrial development in the State, an indicator of future growth, reached an all-time high for a single year in 1979. Capital investment in new plants and expansions totaled $1.541 billion, as reported by the South Carolina Development Board, surpassing the previous record of $1.235 billion invested during calendar year 1977. Nearly 22,000 jobs should be realized in the next few years as a direct result of the overall industrial development. An additional positive sign is that $200 million of this capital investment outlay was in the textile industry.

The following table shows that Corporate Net Taxable Income has risen at an annual average growth rate of 20.3% in South Carolina from Fiscal 1975-76 to 1978-79 whereas corporate profits for the nation as a whole went up 15.6% during the period. The recent stringent monetary policy of the Federal Reserve may temper the downside effects of a sluggish economy in South Carolina, when compared to the nation, since the excesses the restrictive policy was designed to curb have not been as evident for the State as in many parts of the nation.

ALL OTHER REVENUE

Total revenue for the All Other classification, at $287.1 million for Fiscal 1978-79, was 9.4% greater than the previous fiscal year. A 6.6% increase is expected for Fiscal 1979-80, based upon a projection of $306 million. Receipts for All Other Revenue in Fiscal 1980-81 should approximate $323 million, a 5.6% gain over the 1979-80 estimate.

Some revenues within this category are not directly linked to prevailing economic conditions, whereas others are derived from taxes on discretionary purchases and may be affected by short-term shifts in personal consumption. Tax rate structures may also vary from one year to the next as the result of built-in scale changes, or from the addition of new tax legislation by the General Assembly. Yearly revenue movements within the category may fluctuate accordingly. A substantial portion of this revenue is earmarked in whole or part for distribution to counties and/or municipalities.

The growth rate of consumer-related revenues within this classification has declined thus far in Fiscal 1979-80 due to general inflation, increased utility rates, higher gasoline prices and the general effects of the recession.

The Department of Highways and Public Transportation received aid from the 1980 legislative session to maintain adequate funds for state road maintenance and repair. As of October 1, 1980 the Gasoline Tax will increase from 10¢ to 11¢ per gallon, and motor vehicle registration fees will be set at a flat $10.00 rate. Previously, these fees were scaled based on relative vehicle weight. The Coin-operated Device Tax will increase from $237 to $250 for some types of "free play" feature machines beginning July 1, 1980.

ALL OTHER GENERAL FUND REVENUES

(In Thousands)

Revenue Item	Actual FY 1978	Actual FY 1979	Estimate FY 1980
Admissions Tax	$ 3,654	$ 3,500	$ 3,500
Aircraft Tax	209	226	300
Alcoholic Liquors Tax**	36,061	37,875	42,100
Bank Tax	2,377	3,289	2,610
Beer and Wine Tax**	45,126	47,760	49,610
Bldg. & Loan Associations	1,088	1,355	1,500
Business License Tax	27,863	27,539	29,600
Coin-Operated Device Tax	1,641	1,257	2,406
Contractors License Tax	432	457	560
Corporation License Tax	11,126	11,823	12,900
Dept. of Agriculture	6,462	5,369	6,600
Dept.-Supported Appropriations	5,443	6,059	6,749
Documentary Tax	8,740	9,242	9,000
Earned on Investments	17,940	29,474	30,000
Electric Power Tax	11,171	11,545	13,500
Estate Tax	8,798	8,794	8,000
Fertilizer Inspection Tax*	246	257	380
Gasoline Tax-Counties**	16,955	16,761	18,200
Gift Tax	518	398	660
Insurance Tax**	31,458	34,612	36,300
Misc. Departmental Revenues	5,000	7,196	6,650
Motor Transport Fees**	1,727	1,923	2,100
Private Car Lines Tax	542	609	680
Public Service Assessment	1,644	1,616	2,150
Public Service Authority	1,201	1,200	1,500
Retailers License Tax	665	644	750
Soft Drinks Tax	11,656	12,692	12,900
Workmen's Compensation Tax	2,755	3,593	3,800
Total Revenue***	$262,497	$287,063	$306,006

* Includes revenues earmarked for public education.
** Designated in whole or part for counties and/or municipalities.
***Detail may not add to totals due to rounding.

Note: For additional information concerning collections for these taxes, consult "Basis and Rates of Taxes", South Carolina Tax Commission, Research Division, July 1, 1979.

Source: South Carolina Budget and Control Board, Division of Research and Statistical Services.

PROSPECTS FOR FISCAL YEAR 1980-81

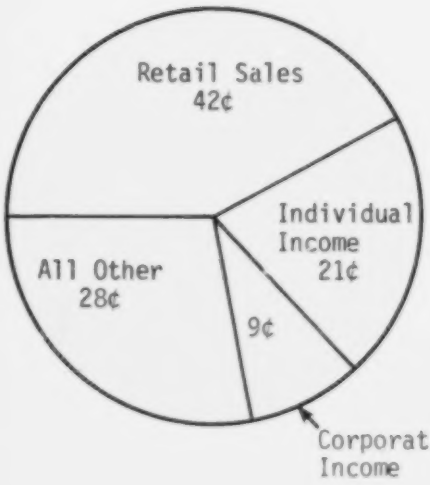
The outlook for the 1980-81 revenue year is one of lean growth and tight budgetary control with regard to spending for new programs. Because of such constraints, the Budget and Control Board has offered recommendations predicated upon the general principle of constrained growth.

As a result of the current unstable outlook for the economy, no substantial change is expected in the present growth forecast of 8.7% for total General Fund Revenue and 9.6% for Regular Sources based on the detailed projections on the preceding page. The likelihood of a possible windfall of $7-$9 million for Fiscal 1979-80 revenue is encouraging. South Carolina has reason for optimism. The repercussions of the last recession are not expected to be repeated in South Carolina with the same intensity when the 1980 business downturn occurs.

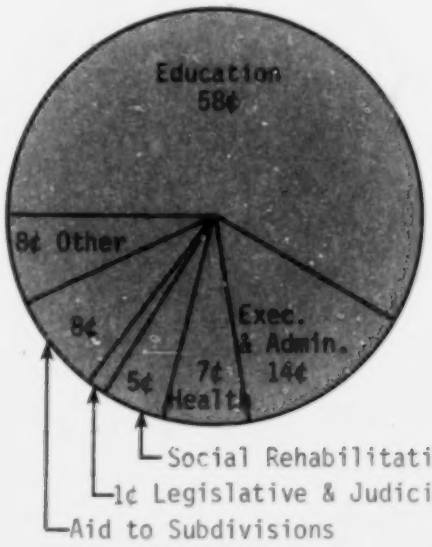
DISTRIBUTION OF
THE GENERAL FUND DOLLAR
Fiscal Year 1969-70 versus Fiscal Year 1979-80E

REVENUE

1969-70

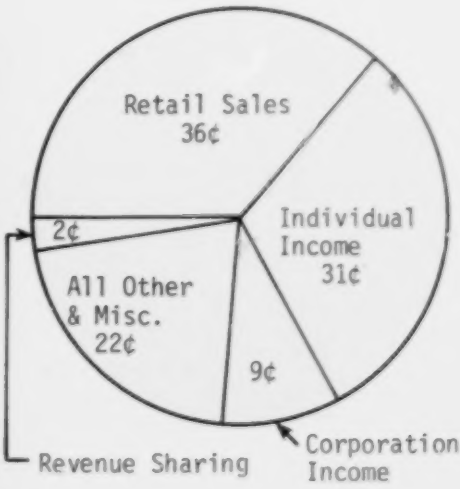


EXPENSE

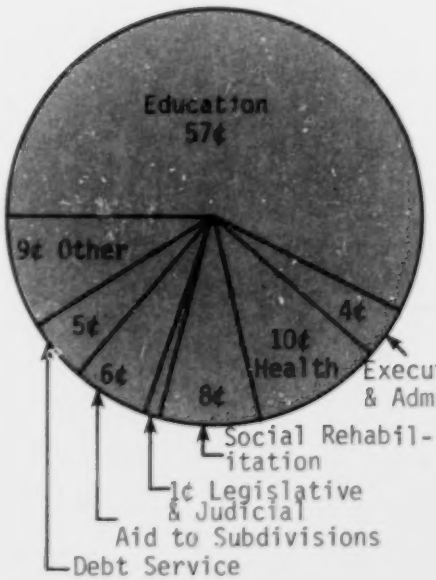


REVENUE

1979-80E



EXPENSE



E: estimate
Source: South Carolina Budget and Control Board;
Division of Research and Statistical Services

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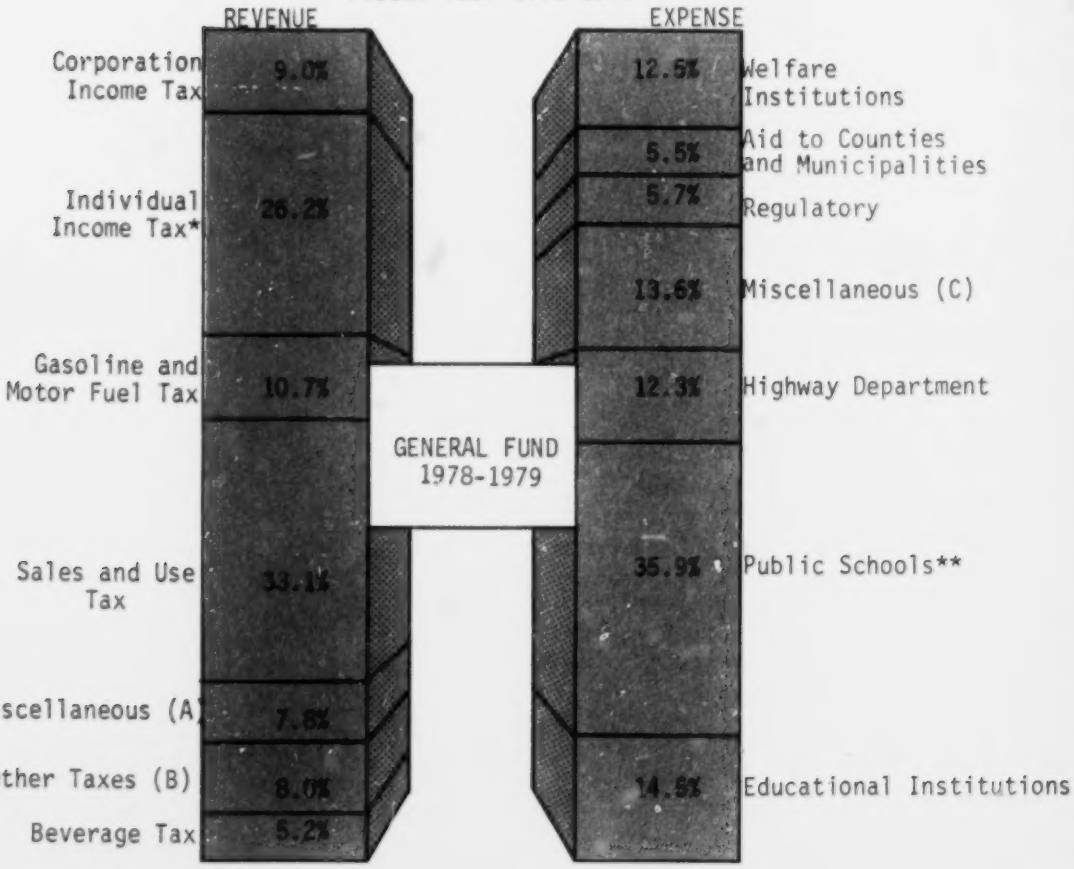
SOUTH CAROLINA GENERAL FUND TAX DOLLAR
Fiscal Year 1978-1979



Note: See following page for breakdown of Revenues (Miscellaneous (A) and Other Taxes (B)) and Expenses (Miscellaneous (C))

*Individual income tax collections include declaration and withholding less refunds.

**The percentage shown for the operation of the public schools in the State does not include retirement, health insurance, social security retirement, debt service and other administrative costs applicable to these agencies.

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SOUTH CAROLINA CORPORATION INCOME TAXES, ESTIMATED NET INCOME AND RELATIONSHIP TO UNITED STATES CORPORATE PROFITS BEFORE TAX

Selected Fiscal Years
1970-1981

Fiscal Year	Corporation Income Taxes[1] (Millions)	Effective Rate (%)	Net Taxable Income[2] (Millions)	U. S. Corporate Profits Before Tax[3] (Billions)	Ratio (%) of S. C. Corporation Net Income to U. S. Corporate Profits
1969-1970	$ 40.9	5%	$ 818	$ 76.3	1.07%
1975-1976	77.8	6	1,297	145.6	0.89
1976-1977	104.1	6	1,735	164.4	1.06
1977-1978	119.5	6	1,992	187.2	1.06
1978-1979	135.5	6	2,258	225.2	1.00
1979-1980E	147.0	6	2,450	247.5	0.99
1980-1981E	152.0	6	2,533	227.6	1.11

1/ Less Windfalls
2/ Estimated by dividing income taxes by effective rate.
3/ Quarterly data averaged by the Division to fiscal year basis. (Excluding inventory valuation adjustments). Projections for 1980 and 1981 were made by the Division of Research and Statistical Services.
E = Estimates

Sources: South Carolina Budget and Control Board, Division of Research and Statistical Services. Data supplied by the South Carolina Tax Commission and United States Department of Commerce, Bureau of Economic Analysis.

GENERAL FUND REVENUES

(In Millions)

CATEGORY	FORECAST FY 1980-1981	PERCENT CHANGE FROM FY 1979-1980
Regular Sources		
Sales Tax	$ 633.9	10.1%
Individual Income Tax	522.0	13.5
Corporation Income Tax	152.0	3.4
All Other	323.0	5.6
Total Regular Sources	$1,660.9	9.6
Total Miscellaneous Sources	$ 32.0	-18.9
Total Revenue Sharing	$ 31.0	-1.6
GRAND TOTAL, GENERAL FUND REVENUE	$1,723.9	8.7

Note: Percentage changes are based upon unrounded figures.

Source: Board of Economic Advisors, General Fund Revenue Estimates, April, 1980.

REVENUE

Miscellaneous (A)

Alcoholic Beverage Control Commission - .165%
Department of Agriculture - .337%
Earned on Inventory - 1.852%
Miscellaneous Departmental Revenue - 1.550%
Public Service Assessment - .102%
Public Service Authority - .075%
Contractor's License Tax - .029%
Fertilizer Inspection - .016%
Workmen's Compensation - .226%
Debt Service - 1.430%
Waste Treatment - .026%
Fines - Circuit & Family Courts - .065%
Title XX Funds - .021%
Insurance Tax - 2.0%

Other Taxes (B)

Admissions Tax - Total - .253%
Aircraft Tax - .014%
Ammunition Tax - .005%
Bedding Fund Tax - .000%
Coin-Operated Tax - .079%
Documentary Tax - .581%
Estate Tax - .553%
Fireworks License Tax - .001%
Gift Tax - .025%
Private Car Lines Tax - .038%
Public Recreation Tax - .000%
Retailer's License Tax - .040%
Registration Fees - Highway Department - .023%
Registration Fees - Public Service Commission - .062%
Soft Drinks Tax - .8%
Electric Power Tax - .7%
Corporation License Tax - .8%
Highway Department Fees - 2.3%
Business License Tax - 1.7%

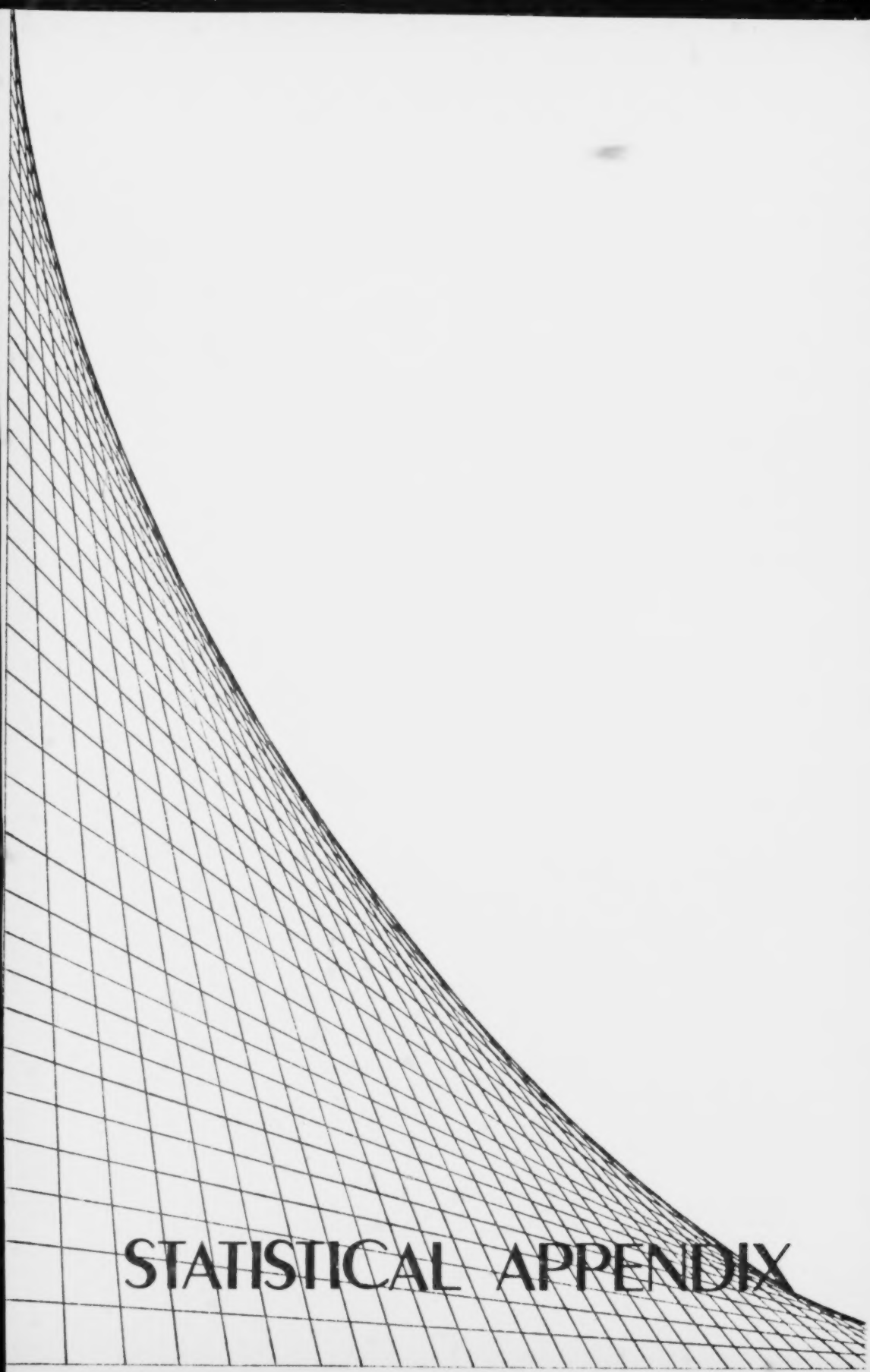
EXPENSES

Miscellaneous (C)

Correctional - 3.1%
Debt Service - 5.0%
Executive and Administration - 1.2%
Judicial - .6%
Legislative - .5%
Miscellaneous - .8%
Public Health - 2.4%

BUDGET EXPENDITURES - ALL SOURCES OF FUNDS

The preceding section summarized the various aspects of the General Fund of the State. Federal and other funds also account for a significant portion of the operating revenue of the various State agencies. The following table provides a summary of the estimated total expenditure by State government for Fiscal Year 1979-80 from all fund sources and the projected total budgets for Fiscal Year 1980-81.



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NUMBER OF FARMS, LAND IN FARMS, AND AVERAGE FARM SIZE

UNITED STATES AND SOUTH CAROLINA

Calendar Years

1969-1980

Year	Number of Farms		Land in Farms (000 Acres)		Average Farm Size (Acres)	
	United States	South Carolina	United States	South Carolina	United States	South Carolina
1969*	3,000,000	53,000	1,107,811	8,400	369	158
1970*	2,949,000	52,000	1,102,371	8,300	374	160
1971*	2,902,000	51,000	1,096,863	8,200	378	161
1972*	2,860,000	48,000	1,092,065	8,000	382	167
1973*	2,823,000	46,000	1,087,923	7,800	385	170
1974*	2,795,000	45,000	1,084,433	7,700	388	171
1975**	2,491,000	36,000	1,062,723	6,800	427	189
1976**	2,454,000	36,000	1,059,148	6,800	432	189
1977**	2,409,000	36,000	1,054,798	6,700	438	186
1978**	2,370,000	36,000	1,052,018	6,600	444	183
1979**	2,333,000	35,000	1,049,063	6,500	450	186
1980***	2,309,000	35,000	1,046,713	6,500	453	186

*Places of 10 or more acres that had annual sales of agricultural products of $50 or more and places of less than 10 acres that had annual sales of $250 or more.

**Places which had annual sales of agricultural products of $1,000 or more.

***Preliminary.

Source: United States Department of Agriculture, South Carolina Crop and Livestock Reporting Service.

A-2

CASH RECEIPTS FROM FARM MARKETINGS IN SOUTH CAROLINA

Calendar Years

1968-1978

Year	Total Cash Receipts From Farm Marketings (In Thousands)	Cash Receipts From Livestock and Livestock Products	Cash Receipts From Crops
1968	$377,113	$144,860	$232,253
1969	412,077	171,310	240,767
1970	448,488	171,882	276,606
1971	462,141	175,765	286,376
1972	539,375	214,302	325,073
1973	706,430	297,102	409,328
1974	861,110	257,417	603,693
1975	807,410	257,005	550,405
1976	852,933	277,785	575,148
1977	793,926	278,555	515,371
1978	982,877	373,236	609,641

Source: United States Department of Agriculture, ESCS, Farm Income Situation

BUDGET EXPENDITURES - ALL SOURCES OF FUNDS

Category	1979-1980 Estimated	1980-1981 Allocated	1980-1981 Recommended	Increase
STATE FUNDS:				
General Fund	$1,607,777,741	$1,563,552,955	$1,723,865,156	$116,087,415
Highway Fund	222,470,234	198,475,000	198,475,000	-23,995,234
TOTAL STATE FUNDS	$1,830,247,975	$1,762,027,955	$1,922,340,156	$ 92,092,181
FEDERAL FUNDS:				
General Operations	936,863,761	971,779,829	972,327,581	35,463,820
Highway	83,256,685	94,444,605	94,444,605	11,189,920
TOTAL FEDERAL FUNDS	$1,020,120,446	$1,066,224,434	$1,066,772,186	$ 46,653,740
OTHER FUNDS				
General Operations	309,841,202	324,335,941	324,441,786	14,600,584
Highway	3,383,000	3,375,000	3,375,000	-8,000
TOTAL OTHER FUNDS	$ 313,224,202	$ 327,710,941	$ 327,816,786	$ 14,592,584
TOTAL ALL FUNDS	$3,163,592,623	$3,155,963,330	$3,316,929,128	$153,338,505

NOTE: The General Assembly was still deliberating the fiscal 1980-1981 budget at the time of this writing. These figures represent fund allocation requests and recommendations as submitted to the General Assembly in January, 1980 by the Budget and Control Board.

Source: The South Carolina State Budget, Vol. 1, p. V , 1980-81, January 1980.

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REALIZED GROSS INCOME AND NET INCOME FROM FARMING IN SOUTH CAROLINA

Calendar Years

1968-1978

(In Millions)

Year	Realized Gross Income	Farm Production Expenses*	Realized Net Income**	Net Change in Farm Inventories	Total Net Farm Income**
1968	491.3	365.6	125.7	- 6.2	119.5
1969	530.5	388.2	142.3	+ 4.9	147.2
1970	554.8	404.5	150.4	- 6.3	144.0
1971	562.3	429.0	133.3	+25.1	158.4
1972	653.6	460.4	193.2	- 5.7	187.5
1973	815.5	554.2	261.2	+10.8	272.1
1974	948.3	666.6	281.7	+28.1	309.9
1975	916.1	720.9	195.2	+11.4	206.5
1976	940.1	748.0	192.1	-30.8	161.4
1977	914.9	794.0	120.9	-13.9	107.0
1978	1,108.0	875.0	233.1	+ 6.3	239.4

* 1965-1972 are revised estimates only for total production expenses and not for components.

** Of farm operators.

Note: Details may not add to totals due to rounding.

Source: United States Department of Agriculture, ESCS, State Farm Income Statistics, January 1980

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SOUTH CAROLINA GENERAL FUND REVENUE

REGULAR SOURCES*

FISCAL YEARS

1970-1981

(In Millions of Dollars)

YEAR	AMOUNT	NET CHANGE	PERCENT CHANGE
1969-70	$ 456.6	$ 75.1	19.69%
1970-71	504.5	47.9	10.49
1971-72	581.5	76.9	15.25
1972-73	737.1	155.6	26.76
1973-74	822.5	85.4	11.59
1974-75	875.5	53.0	6.44
1975-76	965.5	90.1	9.33
1976-77	1,106.4	140.9	14.59
1977-78	1,277.3	170.9	15.44
1978-79	1,426.8	149.5	11.71
1979-80E	1,586.1	159.3	11.16
1980-81E	1,723.9	137.8	8.69

E: ESTIMATES

* Adjusted to Current Tax Structure, Excluding Windfalls and Federal Revenue Sharing.

Source: South Carolina Budget and Control Board, Division of Research and Statistical Services.

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COMPARATIVE STATEMENT OF CONDITION OF STATE BANKS IN SOUTH CAROLINA
Fiscal Years
1976-1979
(Thousands of Dollars)

Category	1975-1976	1976-1977	1977-1978	1978-1979
ASSETS				
Cash & Due From Banks	$ 193,386	$ 230,635	$ 252,217	$ 264,407
Securities	789,759	778,075	788,710	836,959
Federal Funds Sold	46,990	92,040	116,285	101,594
Loans & Discounts	1,121,330	1,266,293	1,425,395	1,586,406
Bank Premises, Furn. & Fix.	55,571	58,619	68,476	76,251
Other Real Estate	4,653	8,578	6,675	4,548
Other Assets	35,632	38,454	40,282	46,785
TOTAL	$2,247,321	$2,472,694	$2,698,040	$2,916,950
LIABILITIES				
Deposits	$1,971,735	$2,157,823	$2,352,035	$2,509,660
Federal Funds Purchased	47,667	64,308	72,136	98,702
Liabilities for Borrowed Money	2,708	846	361	9,508
Mortgage Indebtedness	325	200	1,022	1,083
Other Liabilities	19,491	21,429	26,338	27,804
Reserves on Loans & Securities	-	-	-	-
Capital Notes & Debentures	13,868	25,746	25,298	26,078
Preferred & Common Stock	64,124	66,634	67,647	77,748
Surplus	73,904	78,067	90,054	99,724
Undivided Profits & Reserve for Contingencies	53,499	57,641	63,149	66,643
TOTAL	$2,247,321	$2,472,694	$2,698,040	$2,916,950

Note: Detail may not add to totals due to rounding.
SOURCE: South Carolina Board of Financial Institutions, Annual Reports.

COMPARATIVE STATEMENT OF CONDITION OF SOUTH CAROLINA STATE SAVINGS AND LOAN ASSOCIATIONS
Fiscal Years
1974-1979
(In Thousands of Dollars)

Category	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79
ASSETS						
Mortgage Loan	687,734	752,629	840,861	1,003,819	1,167,388	1,280,646
Other Loans	33,454	32,691	34,941	44,978	55,577	69,655
Real Estate Sold on Contract	90	104	107	85	74	298
Real Estate Owned	341	356	4,178	3,167	1,884	2,320
Investments	54,505	78,689	83,645	86,323	99,708	124,597
Cash	9,844	12,092	7,613	12,409	13,370	12,570
Office Buildings	10,312	11,659	11,530	12,689	16,793	19,654
Furniture & Fixtures	1,566	2,034	2,158	2,365	3,276	4,256
Other Assets	7,740	8,423	9,831	10,337	11,523	14,599
TOTAL	805,585	898,676	994,864	1,176,172	1,369,592	1,528,595
LIABILITIES						
Shares	694,222	789,424	873,438	1,031,035	1,183,401	1,322,240
Borrowed Money	34,709	25,800	29,556	34,335	68,675	73,453
Loans in Process	18,600	20,118	25,708	34,794	34,016	31,696
Reserves, Undivided Profits and Net Current Income	49,924	53,833	57,399	63,694	72,999	85,036
Other Liabilities	8,131	9,501	8,764	12,313	10,501	16,170
TOTAL	805,585	898,676	994,864	1,176,172	1,369,592	1,528,595

Note: Detail may not add to totals due to rounding.

Source: South Carolina Board of Financial Institutions, Examining Division, Annual Reports.

COMPARATIVE STATEMENT OF CONDITION FOR FEDERAL SAVINGS AND LOAN ASSOCIATIONS IN SOUTH CAROLINA
Fiscal Years
1974-1979
(In Thousands of Dollars)

Category	1973-1974	1974-1975	1975-1976	1976-1977	1977-1978	1978-1979
ASSETS						
Mortgage Loans Outstanding	1,862,738	2,054,641	2,336,628	2,836,976	3,328,253	3,622,826
Real Estate Acquired	1,891	4,741	11,410	12,237	18,621	16,508
Mortgages, Insured or Guaranteed by an Agency or Instrumentality of the United States	-	-	-	32,089	26,141	41,219
Improvement, Education, Retail Mobile Home, Equipping & Other Loans	-	-	-	48,377	36,538	38,457
Cash & Investment Securities	149,038	215,700	255,012	283,829	280,576	304,532
Other Assets	145,746	150,620	207,746	95,055	141,239	170,251
TOTAL	2,159,413	2,425,703	2,810,796	3,308,564	3,831,369	4,214,562
LIABILITIES & NET WORTH						
Savings in Accounts Earnings	1,821,221	2,090,245	2,440,359	2,870,461	3,299,482	3,605,082
FHLB Advances*	120,663	109,585	125,390	95,700	156,400	184,588
Other Borrowed Money	1,572	1,497	7,913	6,050	7,898	22,001
Loans in Process	51,776	48,303	65,910	91,333	108,656	99,495
Other Liabilities	25,618	25,706	18,393	55,810	40,182	56,802
Total Net Worth	138,564	150,369	152,831	189,210	218,751	246,594
TOTAL	2,159,413	2,425,703	2,810,796	3,308,564	3,831,369	4,214,562

*Other borrowed money is included for years 1970-1972.
Note: Detail may not add to totals due to rounding.
Source: South Carolina Board of Financial Institutions, Examining Division, Annual Reports.

NUMBER OF LICENSEES, RESOURCES & ANALYSIS OF LOANS BY CONSUMER FINANCE INSTITUTIONS IN SOUTH CAROLINA

Calendar Years

1968-1979

Year	Number of Licensees	Total Resources (Thousands)	Loans Receivable (Thousands)	Number of Loans Made	Amount of Loans Made (Thousands)	Average Amount of Loans Made	Average Balance End of Year
1968	703	$225,823	$179,501	597,637	$233,472	$390.66	$446.14
1969	696	246,056	200,093	572,621	249,486	435.69	493.84
1970	688	270,192	215,207	558,882	256,284	458.57	532.40
1971	681	302,224	236,723	572,478	284,439	496.86	514.62
1972	690	355,607	268,721	586,397	321,878	548.91	617.35
1973	716	411,786	303,400	579,214	347,970	600.76	708.13
1974	698	440,713	311,014	567,987	344,209	606.01	721.37
1975	638	417,899	306,564	539,787	331,260	613.69	754.41
1976	635	458,859	348,219	573,479	392,668	684.71	850.48
1977*	294	64,958	49,632	358,398	101,960	284.49	282.09
1978	292	68,945	51,231	370,783	107,587	289.41	287.51
1979	293	75,798	55,528	370,257	105,998	286.28	290.22

*These figures apply to Restricted Licensees only. Legislative action, effective September 29, 1976, creating the Supervised Licensee requires another format for reporting.

Source: State Board of Financial Institutions, Annual Reports.

MARKET INTEREST RATES

Calendar Years

1971-1979

(In Percent)

	1971	1972	1973	1974	1975	1976	1977	1978	1979
3-Month Treasury Bills (Market Yield)	4.33%	4.07%	7.03%	7.84%	5.80%	4.98%	5.27%	7.19%	10.07%
Federal Funds Rate	4.66	4.33	8.73	10.51	5.82	5.05	5.54	7.93	11.19
Prime Commercial Paper (4-6 Months)	5.11	4.73	8.15	9.87	6.33	5.35	5.60	7.99	10.91
Average Prime Rate	5.70	5.25	8.02	10.80	7.86	6.84	6.82	9.06	12.67
AAA Corporate Bonds	7.39	7.22	7.44	8.57	8.83	8.43	8.02	8.73	9.63
Domestic Municipal Bonds	5.46	5.25	5.22	6.26	7.10	6.56	5.68	6.03	6.52
Mortgages	7.74	7.60	7.95	8.92	9.01	8.99	9.01	9.68	13.83

Source: Board of Governors of the Federal Reserve System, Federal Reserve Bulletin, March, 1980

ESTIMATED NET TAXABLE SALES
SOUTH CAROLINA PERSONAL INCOME AND RATIO OF SALES TO PERSONAL INCOME
Fiscal Years
1970-1981
(Millions of Dollars)

Fiscal Year	Sales Tax Calculated at 4%	NET TAXABLE SALES[1]			Personal[2] Income	Ratio (%) of Sales To Personal Income
		Amount	Change Over The Year			
			Net	Percent		
1969-1970	192.6	4,815	222	4.8%	7,400	65.1%
1970-1971	213.7	5,343	528	11.0	7,988	66.9
1971-1972	245.5	6,138	795	14.9	8,869	69.2
1972-1973	280.4 [3]	7,010	872	14.2	10,070	69.6
1973-1974	314.7	7,868	858	12.2	11,536	68.2
1974-1975	337.7	8,443	575	7.3	12,610	67.0
1975-1976	372.6	9,315	872	10.3	13,987	66.6
1976-1977	415.3	10,383	1,068	11.5	15,438	67.3
1977-1978	471.6	11,790	1,407	13.6	17,244	68.4
1978-1979	525.9	13,148	1,358	11.5	19,481	67.5
1979-1980E	576.0	14,400	1,252	9.5	21,784*	66.1
1980-1981E	633.9	15,848	1,440	10.1	23,824*	66.5

1) Calculated from sales tax collections.
2) Quarterly data averaged to fiscal year basis (July 1-June 30).
3) Excludes advance payments of 5.8 million

E: Estimates

* Office of Chief Economist, SCOPE Model, April, 1980.

Source: United States Department of Commerce, Bureau of Economic Analysis.
South Carolina Division of Research and Statistical Services, Budget and Control Board.

ADJUSTED GROSS INCOME REPORTED ON SOUTH CAROLINA
INDIVIDUAL INCOME TAX RETURNS, RELATIONSHIP TO
SOUTH CAROLINA PERSONAL INCOME AND INDIVIDUAL INCOME TAX

CALENDAR YEARS

1970 - 1980

(In Millions of Dollars)

Year	Adjusted Gross Income*	Personal Income+	Ratio (%) Adjusted Gross To Personal Income	INDIVIDUAL INCOME TAX+ Amount	Percent of Personal Income
1970	5,534	7,668	72.2%	108.4	1.41%
1971	6,068	8,382	72.4	127.7	1.52
1972	6,835	9,452	72.3	159.4**	1.69
1973	7,933	10,775	73.6	192.7	1.79
1974	8,828	12,229	72.2	210.9	1.72
1975	9,148	13,133	69.7	244.5	1.86
1976	10,508	14,731	71.3	290.4	1.97
1977	11,653	16,260	71.7	351.2	2.16
1978	13,243	18,357	72.1	416.3	2.27
1979	14,794E	20,605E	71.8	486.2	2.36
1980	16,419E	22,868E	71.8	552.0	2.41

*As reported on South Carolina Individual Income Tax Returns. Estimates were obtained by using a linear regression with Personal Income.

**Adjusted to New Collection System.

+Bureau of Economic Analysis, United States Department of Commerce.

±For fiscal year lagging calendar year by six months.

E=Estimates

Source: South Carolina Tax Commission
United States Department of Commerce, Bureau of Economic Analysis

SOUTH CAROLINA CORPORATION INCOME TAXES
ESTIMATED NET INCOME AND RELATIONSHIPS
TO U.S. CORPORATE PROFITS BEFORE TAX
FISCAL YEARS
1970 - 1981

Year	Corporate Income Tax 1) (Millions)	Effective Rate (%)	Net Taxable Income 2) Billions	U.S. Corporate Profits Before Tax 3) (Billions)	Ratio (%) of S.C. Corporation Net Income To U.S. Corporate Profits
1969-1970	$ 40.9	.050 %	.818	76.3	1.07 %
1970-1971	42.0	.055	.764	75.1	1.02
1971-1972	50.5	.060	.842	87.9	0.96
1972-1973	60.7	.060	1.012	108.8	0.02
1973-1974	74.3	.060	1.238	118.9	1.04
1974-1975	79.6	.060	1.327	118.1	1.12
1975-1976	77.8	.060	1.297	145.6	0.89
1976-1977	104.1	.060	1.735	164.4	1.06
1977-1978	119.5	.060	1.992	187.2	1.06
1978-1979	135.5	.060	2.258	225.2	1.00
1979-1980E	147.0	.060	2.450	247.5	0.99
1980-1981E	152.0	.060	2.533	227.6	1.11

1) Less Windfalls

2) Estimated by dividing income taxes by effective rate.

3) Quarterly data averaged by the Division to fiscal year basis (excluding inventory valuation judgements). Projections for 1980 and 1981 were made by the Division of Research and Statistical Services.

E = Estimates

Sources: South Carolina Budget and Control Board, Division of Research and Statistical Services.

Data supplied by South Carolina Tax Commission and Bureau of Economic Analysis.

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VALUE OF CONSTRUCTION PERMITS IN SOUTH CAROLINA

Calendar Years

1968-1979

(Thousands of Dollars)

Year	Residential	Nonresidential	Total
1968	$345,863	$280,590	$ 626,453
1969	342,764	279,815	622,579
1970	379,126	259,018	638,144
1971	527,387	315,633	843,020
1972	801,728	336,018	1,137,746
1973	814,435	386,618	1,201,053
1974	615,088	471,940	1,087,028
1975	542,687	296,693	839,380
1976	677,732	518,772	1,196,504
1977	799,608	474,793	1,274,401
1978	971,252	504,068	1,475,320
1979	1,108,150	713,704	1,821,854

Source: F.W. Dodge Corporation

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INSURER LICENSING AND TAXATION DIVISION ACTIVITY GROWTH

1967-1979

Item	FY 1966-1967	FY 1978-1979	Percent Increase
Number of Companies Licensed and Supervised	712	998	40%
Annual Licenses for Agents, Brokers, Adjusters, Appraisers and Agencies	34,421	56,131	63
Insurance Premiums Paid by South Carolinians	$490,064,999	$1,718,481,434	251
Investments in South Carolina by Insurance Companies for Tax Purposes	$696,460,435	$2,051,730,126	195
Filings Processed (Rates, Manuals & Forms)	9,966	27,371	175

Source: South Carolina Department of Insurance, Seventy-Second Annual Report.

LIFE INSURANCE BUSINESS IN SOUTH CAROLINA

Calendar Years

1969-1978

Year	Amount of Insurance In Force	Premiums Received	Claims Paid
1969	$13,141,762,973	$216,586,020	$ 99,922,633
1970	14,485,231,503	237,808,977	113,355,406
1971	16,169,725,825	244,917,443	119,231,059
1972	18,169,664,914	286,782,800	128,958,643
1973	19,557,555,701	313,400,948	136,544,623
1974	22,948,905,490	331,751,079	153,293,808
1975	23,926,283,308	348,400,816	162,163,334
1976	26,818,149,641	378,529,603	166,220,641
1977	30,095,899,976	408,002,523	193,474,609
1978	33,752,242,601	439,160,067	203,745,653

Source: South Carolina Department of Insurance, Seventy-Second Annual Report.

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ACCIDENT AND HEALTH INSURANCE BUSINESS IN SOUTH CAROLINA

Calendar Years

1969-1978

Year	Premium & Contract Fees Received	Losses and Claims Paid
1969	$156,275,768	$110,445,300
1970	175,790,177	123,719,018
1971	200,663,235	140,074,306
1972	234,897,152	162,995,173
1973	270,298,754	194,709,040
1974	306,630,187	226,974,475
1975	343,066,193	275,353,477
1976	384,342,158	300,489,080
1977	467,117,373	347,781,789
1978	507,025,285	365,175,348

Source: South Carolina Department of Insurance, Seventy-Second Annual Report.

SOUTH CAROLINA GENERAL FUND REVENUES BY MAJOR CATEGORIES*

Fiscal Years

1973-1981

(In Millions of Dollars)

	1973	1974	1975	1976	1977	1978	1979	1980E	1981E
General Fund Revenue (Regular Sources)	679.4	786.6	848.3	918.6	1,046.8	1,204.7	1,364.8	1,515.2	1,660.9
Sales Tax	280.4**	314.7	337.7	372.6	415.3	471.6	525.9	576.0	663.9
Income Taxes	220.1	267.0	290.5	322.0	394.5	470.7	551.9	633.2	704.0
Individual	159.4***	192.7	210.9	244.5	290.4	351.2	416.3	486.2	552.0
Corporation	60.7	74.3	79.6	77.8	104.1	119.5	135.5	147.0	152.0
All Other Revenues	178.9	204.9	220.1	223.7	237.0	262.5	287.1	306.0	323.0

E=Estimates

*General Fund Revenues adjusted to current tax structure, excluding windfalls and Federal Revenue Sharing.

**Excludes windfall of $5.8 million in advance payments under new collection system.

***First quarter adjusted (excluding windfall), second, third and fourth actual collections.

Source: South Carolina Budget and Control Board, Division of Research and Statistical Services

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HOUSING UNITS AUTHORIZED IN PERMIT-ISSUING PLACES IN SOUTH CAROLINA

Calendar Years

1968-1979

Year	Total	Public	Private			
			Total	One Unit	2-4 Units	5 Or More Units
1968	16,183	670	15,513	12,463	685	2,365
1969	16,808	1,244	15,564	11,818	920	2,826
1970	21,935	550	21,385	15,878	1,309	4,198
1971	26,822	1,029	25,793	16,592	1,231	7,970
1972	34,107	726	33,381	21,394	1,639	10,348
1973	25,878	805	25,073	16,659	1,026	7,388
1974	15,882	450	15,432	12,533	632	2,267
1975	15,358	512	14,846	12,166	598	2,082
1976	16,212	348	15,864	13,786	553	1,525
1977	22,139	0	22,139	18,532	622	2,985
1978	22,046	0	22,046	16,824	1,346	3,876
1979	25,655	0	25,655	18,209	1,501	5,945

Source: United States Department of Commerce, Bureau of the Census

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INSURANCE PROPERTY, CASUALTY & ALLIED LINES OF BUSINESS IN SOUTH CAROLINA

Calendar Years

1969-1978

Year	Premiums Written	Claims Paid
1969	$252,843,296	$241,709,231
1970	290,878,246	276,894,430
1971	338,354,787	316,606,087
1972	395,927,948	371,629,013
1973	431,849,147	408,631,434
1974	438,944,861	437,867,521
1975	464,578,140	455,087,778
1976	581,282,451	547,770,822
1977	670,135,781	635,840,252
1978	772,296,082	739,495,647

Source: South Carolina Department of Insurance, Seventy-Second Annual Report.

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CIVILIAN LABOR FORCE[1], TOTAL EMPLOYMENT AND TOTAL UNEMPLOYMENT

IN SOUTH CAROLINA

Calendar Years

1970-1979

(In Thousands)

YEAR	LABOR FORCE	TOTAL EMPLOYMENT 2/	TOTAL UNEMPLOYMENT	PERCENT OF LABOR FORCE
1970	1,004.0	956.0	48.0	4.8%
1971	1,020.0	965.0	55.0	5.4
1972	1,051.0	1,004.0	46.0	4.4
1973	1,096.0	1,052.0	45.0	4.1
1974	1,145.0	1,078.0	68.0	5.9
1975	1,178.0	1,074.0	103.0	8.7
1976	1,249.0	1,161.0	87.0	6.9
1977	1,274.0	1,183.0	92.0	7.2
1978	1,290.0	1,217.0	74.0	5.7
1979	1,306.0	1,241.0	65.0	5.0

[1]1979 Current Population Survey (CPS) Benchmark. Represents employment and unemployment by place of residence.

[2]Includes workers involved in labor management disputes.

Source: South Carolina Employment Security Commission

WAGE AND SALARY WORKERS IN NONAGRICULTURAL ESTABLISHMENTS BY MAJOR INDUSTRY DIVISION IN SOUTH CAROLINA

Calendar Years

1970-1979

(In Thousands)

Industry	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Total	842.0	862.6	920.3	984.0	1015.8	982.6	1038.1	1081.7	1137.5	1177.8
Mining	1.8	1.7	1.8	1.8	2.1	1.9	1.8	1.8	1.8	1.9
Construction	51.9	54.0	61.8	71.2	76.0	61.8	61.5	65.8	70.2	72.8
Manufacturing	340.3	337.2	354.3	374.9	375.9	339.9	371.0	380.2	391.1	399.3
Transportation & Public Utilities	37.5	38.4	40.4	42.4	42.6	40.5	42.7	45.1	48.8	53.3
Wholesale & Retail Trade	140.1	147.3	160.1	172.1	177.6	175.6	187.6	199.5	213.0	223.0
Finance, Insurance & Real Estate	29.6	31.1	33.6	36.5	38.8	39.1	39.7	41.5	43.8	46.6
Services	91.0	96.2	102.6	114.4	120.7	123.9	130.5	134.1	145.0	152.6
Government	149.9	156.7	165.6	170.7	182.2	199.8	203.3	213.7	223.8	228.4

Source: South Carolina Employment Security Commission. Industries are classified according to the Standard Industrial Classification Manual, 1972.

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WAGE AND SALARY WORKERS IN MANUFACTURING -- DURABLE GOODS INDUSTRIES IN SOUTH CAROLINA

Calendar Years

1970-1979

(In Thousands)

Industry	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Total Durable Goods	84.1	81.4	88.3	99.5	103.7	91.2	99.7	108.6	116.3	121.8
Lumber & Wood Products	15.7	15.6	16.2	16.3	15.5	13.3	14.6	15.0	15.8	16.2
Furniture & Fixtures	4.4	4.4	4.9	5.2	4.7	3.8	4.5	4.5	5.0	5.1
Stone, Clay & Glass Products	10.9	10.3	11.0	12.1	12.3	10.7	10.8	11.4	11.7	11.5
Fabricated Metal Products	7.6	7.7	8.7	10.2	10.8	10.0	11.7	13.2	14.0	14.6
Machinery,Except Electrical	15.7	16.4	19.2	22.3	24.4	22.9	24.8	27.5	29.9	31.5
Electronic & Electronic Equipment	12.1	11.3	13.0	16.8	18.1	15.0	15.9	18.3	19.5	21.3
Instruments & Related Products	4.1	3.8	4.1	4.5	5.1	4.4	5.1	5.4	5.7	5.7
Primary Metal Industries	-	3.1	3.3	4.2	4.5	3.8	4.4	4.8	5.8	6.7
Other Durable[1]	-	8.9	7.9	7.8	8.3	7.3	8.0	8.3	8.8	9.2

[1]Includes transportation equipment and miscellaneous manufacturing.

Source: South Carolina Employment Security Commission. Industries are classified according to the Standard Industrial Classification Manual, 1972.

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WAGE AND SALARY WORKERS IN MANUFACTURING -- NONDURABLE GOODS INDUSTRIES IN SOUTH CAROLINA

Calendar Years

1970-1979

(In Thousands)

Industry	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Total Nondurable Goods	256.2	255.8	226.0	275.4	272.2	248.7	271.3	271.6	274.8	277.4
Food & Kindred Products	14.6	14.3	14.3	14.0	13.6	12.9	13.7	14.0	14.5	15.1
Textile Mill Products	148.7	147.6	154.0	158.0	155.5	137.3	149.5	146.3	143.4	142.4
Apparel & Other Textile Products	44.3	44.5	45.5	47.0	44.3	41.8	46.2	45.7	48.3	47.8
Paper & Allied Products	12.0	12.3	12.3	12.8	13.4	12.8	13.5	13.8	13.9	14.0
Printing & Publishing	4.9	5.2	5.4	6.2	6.4	6.2	6.4	6.6	6.9	7.2
Chemicals & Allied Products	25.1	25.8	28.1	30.5	30.9	28.8	30.7	31.5	32.6	33.4
Other Nondurable[1]	6.5	6.0	6.3	7.1	8.1	8.9	11.3	13.5	15.3	17.5

[1]Includes tobacco manufacturers; petroleum and coal products; rubber and plastic products; and leather and leather products.

Source: South Carolina Employment Security Commission. Industries are classified according to the Standard Industrial Classification Manual, 1972.

AVERAGE WEEKLY EARNINGS, AVERAGE WEEKLY HOURS AND AVERAGE HOURLY EARNINGS

IN DURABLE GOODS INDUSTRIES IN SOUTH CAROLINA

Calendar Years

1976-1979

Industry	Average Weekly Earnings				Average Weekly Hours				Average Hourly Earnings			
	1976	1977	1978	1979	1976	1977	1978	1979	1976	1977	1978	1979
Total Durable Goods	$163.94	$179.28	$192.64	$212.49	41.4	41.5	40.9	41.1	$3.96	$4.32	$4.71	$5.17
Lumber & Wood Products	145.52	159.71	175.82	190.87	42.8	43.4	43.2	42.7	3.40	3.68	4.07	4.47
Furniture & Fixtures	134.81	137.59	157.60	174.19	41.1	39.2	40.0	38.2	3.28	3.51	3.94	4.56
Stone, Clay & Glass Products	188.68	204.48	225.13	239.25	42.4	42.6	42.8	42.8	4.45	4.80	4.26	5.59
Fabricated Metal Products	166.74	178.88	183.60	208.82	42.0	41.6	40.0	42.1	3.97	4.30	4.59	4.96
Machinery, Except Electrical	179.66	196.88	211.42	230.88	41.3	41.8	41.7	41.6	4.35	4.71	5.07	5.55
Electric & Electronic Equipment	146.77	163.60	169.22	188.33	40.1	40.0	38.9	39.9	3.66	4.09	4.35	4.72
Instruments & Related Products	139.43	157.60	165.71	180.25	38.2	39.9	38.9	39.1	3.65	3.95	4.26	4.61

Source: South Carolina Employment Security Commission

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AVERAGE WEEKLY EARNINGS, AVERAGE WEEKLY HOURS AND AVERAGE HOURLY EARNINGS

IN NONDURABLE GOODS INDUSTRIES IN SOUTH CAROLINA

Calendar Years

1976-1979

Industry	Average Weekly Earnings				Average Weekly Hours				Average Hourly Earnings			
	1976	1977	1978	1979	1976	1977	1978	1979	1976	1977	1978	1979
Total Nondurable Goods	$155.60	$171.68	$188.85	$205.44	40.0	40.3	40.7	40.6	$3.89	$4.26	$4.64	$5.06
Food & Kindred Products	139.20	149.67	162.24	174.39	40.0	39.7	39.0	39.1	3.48	3.77	4.16	4.46
Textile Mill Products	152.68	167.69	185.09	199.55	40.5	40.8	41.5	41.4	3.77	4.11	4.46	4.82
Apparel & Other Textile Products	108.70	115.07	129.50	140.96	37.1	37.0	37.0	36.9	2.93	3.11	3.50	3.82
Paper & Allied Products	242.17	262.12	294.69	327.62	43.4	42.9	43.4	43.8	5.58	6.11	6.79	7.48
Printing & Publishing	172.93	185.11	197.46	212.77	38.6	37.7	37.9	38.2	4.48	4.91	5.21	5.57
Chemicals & Allied Products	215.59	237.46	259.34	288.46	40.6	40.8	41.1	41.2	5.31	5.82	6.31	7.00

Source: South Carolina Employment Security Commission

VALUE OF CAPITAL INVESTMENT, ANNUAL PRODUCT, PRODUCTION WORKERS AND WAGES OF REPORTING ESTABLISHMENTS IN MINING, MANUFACTURING AND PUBLIC UTILITIES IN SOUTH CAROLINA*

Fiscal Years

1969-1979

Fiscal Year	Number of Firms	Value of Capital Investment (Millions)	Value of Annual Product (Millions)	Total Production Workers	Total Wages of Production Workers (Millions)
1968-1969	2,567	$3,207.3	$ 7,170.9	279,361	$1,320.2
1969-1970	2,650	3,455.7	7,555.7	283,429	1,379.8
1970-1971	2,715	3,944.9	7,967.8	275,803	1,434.2
1971-1972	2,652	4,120.9	9,722.8	290,829	1,572.9
1972-1973	2,556	4,129.5	11,269.6	308,374	1,768.6
1973-1974	2,506	4,833.3	13,063.8	312,950	1,945.5
1974-1975	2,569	5,085.8	13,301.9	280,526	1,869.9
1975-1976	2,670	6,060.7	15,356.6	291,985	2,139.3
1976-1977	2,850	6,746.5	17,289.8	303,327	2,482.0
1977-1978	2,902	7,626.6	19,418.4	311,394	2,775.5
1978-1979	2,839	8,643.3	21,227.8	313,063	3,044.3

*Excludes logging camps, saw mills and planing mills

Source: South Carolina Department of Labor, Annual Report

VALUE OF FOREIGN INVESTMENTS AS A PERCENTAGE OF
TOTAL INDUSTRIAL INVESTMENTS IN SOUTH CAROLINA
Calendar Years
1968-1979
(Thousands of Dollars)

Year	Foreign Investments	Total Industrial Investments	Foreign Investments Percent of Total
1968	$184,500	$ 635,617	29.0%
1969	48,400	706,289	6.9
1970	72,300	319,456	22.6
1971	4,635	473,391	1.0
1972	61,900	502,563	12.3
1973	340,660	1,229,690	27.7
1974	313,053	666,055	46.9
1975	58,800	511,445	11.5
1976	186,005	487,685	38.1
1977	408,162	1,235,171	33.0
1978	208,205	857,233	24.3
1979	392,535	1,541,135	25.5

Source: South Carolina State Development Board, Planning and Research Division.

RATES OF CHANGE IN SOUTH CAROLINA PERSONAL INCOME
AND PER CAPITA PERSONAL INCOME IN CONSTANT DOLLARS
(In Percent)
1969-1979

Year	Real Personal Income	Real Per Capita Personal Income
1969	5.1 %	4.7%
1970	3.9	2.7
1971	4.7	2.9
1972	8.9	7.3
1973	8.1	6.6
1974	2.3	.4
1975	-.6	-2.0
1976	6.8	5.7
1977	4.4	3.2
1978	5.7	4.3
1979	3.0	2.5

Source: United States Department of Commerce,
Bureau of Economic Analysis.

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TOTAL INDUSTRIAL GROWTH FROM NEW AND EXPANDED PLANTS
BY INDUSTRY IN SOUTH CAROLINA

Calendar Years

1968-1979

(Millions of Dollars)

Year	Food	Textiles	Apparel	Wood and Furn.	Paper and Print.	Chem. and Allied	Metal-Work.	Misc.*	Totals
1968	2.5	109.5	13.5	8.2	23.9	327.5	136.3	14.2	635.6
1969	2.7	83.9	15.6	31.8	21.3	355.3	179.5	15.9	706.3
1970	8.0	74.8	2.7	14.6	12.3	93.1	110.7	3.4	319.5
1971	5.7	148.7	6.9	9.3	2.4	187.9	100.7	11.8	473.4
1972	3.2	47.9	6.1	24.6	67.3	195.8	81.2	76.5	502.6
1973	12.3	80.7	8.0	16.8	23.8	738.4	108.9	240.9	1,229.7
1974	10.3	44.4	2.2	11.6	22.2	474.2	83.4	17.8	666.1
1975	44.5	24.2	2.3	4.4	5.8	239.0	122.7	68.4	511.4
1976	10.8	46.1	4.3	1.5	49.6	133.9	123.9	117.7	487.7
1977	19.7	159.1	14.7	18.0	43.9	243.4	579.6	156.8	1,235.2
1978	70.7	151.6	11.2	9.9	25.0	240.2	197.7	151.0	857.2
1979	19.0	200.6	24.0	59.7	143.1	362.8	441.4	290.7	224.9

*Includes rubber and plastics, stone, clay, glass and concrete, and miscellaneous industries.

Source: South Carolina State Development Board, Planning and Research Division

SOUTH CAROLINA NEW AND EXPANDED PLANTS

Calendar Years

1968-1979

	NEW			EXPANDED			TOTAL		
Year	No. Pl.	No. Jobs	Investment ($000's)	No. Pl.	No. Jobs	Investment ($000's)	No. Pl.	No. Jobs	Investment ($000's)
1968	80	10,371	$359,140	121	9,400	$276,477	201	19,771	$ 635,617
1969	87	12,384	392,280	136	7,834	314,009	223	20,218	706,289
1970	53	5,917	121,835	82	4,613	197,621	135	10,530	319,456
1971	32	3,773	149,534	112	8,499	323,857	144	12,272	473,391
1972	77	7,306	180,763	85	6,143	321,800	162	13,449	502,563
1973	68	10,429	705,485	97	5,233	524,205	165	15,662	1,229,690
1974	62	6,568	273,220	101	6,086	392,835	163	12,654	666,055
1975	53	4,537	246,314	80	1,483	265,131	133	6,020	511,445
1976	50	5,221	209,840	101	4,311	277,845	151	9,532	487,685
1977	54	7,127	596,373	594	10,475	638,798	648	17,602	1,235,171
1978	75	6,977	208,833	395	7,196	648,400	470	14,173	857,233
1979	109	11,691	618,558	617	9,907	922,577	726	21,598	1,541,135

Source: South Carolina State Development Board, Planning and Research Division

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TOTAL PERSONAL INCOME* IN THE UNITED STATES, SOUTHEAST AND SOUTH CAROLINA

Calendar Years

1969-1979

(In Millions of Dollars)

Calendar Year	United States	Southeast	South Carolina	Percent Change Over the Year in South Carolina	S.C. Personal Income As a Percent of Personal Income in the U.S.	S.C. Personal Income As a Percent of Personal Income in Southeast
1969	$ 738,233	$129,513	$ 7,062	10.0%	.96%	5.45%
1970	793,485	141,055	7,668	8.6	.97	5.44
1971	851,952	154,489	8,382	9.3	.98	5.43
1972	835,463	174,173	9,452	12.8	1.01	5.43
1973	1,045,303	198,045	10,775	14.0	1.03	5.44
1974	1,147,257	220,801	12,229	13.5	1.07	5.54
1975	1,248,631	239,863	13,133	7.4	1.05	5.48
1976	1,374,189	267,224	14,731	12.2	1.07	5.51
1977	1,522,766	296,720	16,260	10.4	1.07	5.48
1978	1,709,616	335,939	18,357	12.9	1.07	5.46
1979	1,915,999	378,639	20,605	12.2	1.08	5.44

*Revised

Source: United States Department of Commerce,, Bureau of Economic Analysis

PER CAPITA PERSONAL INCOME* IN THE UNITED STATES, SOUTHEAST AND SOUTH CAROLINA

Calendar Years

1969-1979

(In Dollars)

Calendar Year	United States	Southeast	South Carolina	Percent Change Over the Preceding Year in South Carolina	South Carolina Per Capita Income As A Percent Of	
					Per Capita Income in the U.S.	Per Capita Income in the Southeast
1969	$3,667	$2,981	$2,748	9.5%	75%	92%
1970	3,893	3,208	2,951	7.4	76	92
1971	4,132	3,458	3,169	7.4	77	92
1972	4,493	3,829	3,519	11.0	78	92
1973	4,981	4,279	3,957	12.4	79	92
1974	5,428	4,692	4,407	11.4	81	94
1975	5,861	5,031	4,665	5.9	80	93
1976	6,401	5,543	5,179	11.0	81	93
1977	7,038	6,085	5,651	9.1	80	93
1978	7,840	6,810	6,292	11.3	80	92
1979	8,706	7,589	7,027	11.7	81	93

*Revised

Source: United States Department of Commerce, Bureau of Economic Analysis

SOUTH CAROLINA

PERSONAL INCOME* AND PER CAPITA PERSONAL INCOME IN CONSTANT DOLLARS

Calendar Years

1969-1979

Year	Real Personal Income (In Millions)	Real Per Capita Personal Income
1969	$ 7,980	$3,105
1970	8,290	3,190
1971	8,667	3,281
1972	9,452	3,519
1973	10,213	3,751
1974	10,452	3,767
1975	10,390	3,691
1976	11,093	3,900
1977	11,581	4,025
1978	12,246	4,197
1979	12,618	4,303

*Revised

Note: The income data were deflated by the Implicit Price Deflator for Personal Consumption Expenditures. 1972=1.0.

Source: United States Department of Commerce, Bureau of Economic Analysis

PROVISIONAL ESTIMATES OF THE POPULATION
UNITED STATES AND TWELVE SOUTHEASTERN STATES
April 1, 1970 and July 1, 1979
(In Thousands)

Area	Resident Population			
			Change 1970-1979	
	July 1, 1979p	April 1, 1970	Number	Percent
United States	220,099	203,302	16,797	8.3%
South Carolina	2,932	2,591	341	13.2
Alabama	3,760	3,444	325	9.4
Arkansas	2,180	1,923	257	13.4
Florida	8,860	6,791	2,069	30.5
Georgia	5,117	4,588	529	11.5
Kentucky	3,527	3,221	306	9.5
Louisiana	4,018	3,645	373	10.2
Mississippi	2,429	2,217	212	9.6
North Carolina	5,606	5,084	522	10.3
Tennessee	4,380	3,926	454	11.6
Virginia	5,197	4,651	546	11.7
West Virginia	1,878	1,744	134	7.7

P= Provisional

Source: United States Department of Commerce, Bureau of the Census

SOUTH CAROLINA PERSONAL INCOME* BY MAJOR SOURCES
1970-1979
(In Millions of Dollars)

Source	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Wage and Salary Disbursements	5,488	5,922	6,651	7,524	8,409	8,645	9,861	10,853	12,237	13,645
Farm	54	53	54	63	76	89	75	77	84	95
Mining	11	12	13	15	18	18	18	20	22	25
Contract Construction	321	358	416	521	622	548	581	642	745	835
Manufacturing	2,016	2,120	2,381	2,696	2,931	2,895	3,484	3,863	4,328	4,842
Wholesale & Retail Trade	711	775	868	995	1,121	1,189	1,347	1,500	1,712	1,914
Finance, Insurance & Real Estate	187	212	234	279	323	337	360	400	460	517
Transportation, Communication & Public Utilities	278	307	352	401	438	446	514	589	701	827
Services	569	611	665	751	847	889	1,009	1,133	1,303	1,479
Government	1,325	1,457	1,650	1,779	2,008	2,206	2,442	2,593	2,839	3,058
Ag. Services, Forestry, Fishing & Other	16	17	20	24	27	29	32	36	44	53
Other Labor Income	292	334	394	467	534	615	756	895	1,047	1,217
Proprietors INcome	599	653	754	830	877	819	877	935	1,157	1,333
Total Labor & Proprietors Income by Place of Work	6,379	6,909	7,799	8,855	9,825	10,077	11,482	12,720	14,475	16,194
LESS: Contributions for Social Insurance by Place of Work	290	329	375	466	514	536	654	717	817	953
PLUS: Residence Adjustment	93	107	129	140	143	166	183	202	220	249
Net Labor & Proprietors Income by Place of Residence	6,182	6,687	7,553	8,530	9,454	9,707	11,011	12,205	13,879	15,490
PLUS: Dividends, Interest & Rent	734	820	909	1,068	1,296	1,440	1,605	1,790	2,020	2,326
PLUS: Transfer Payments	753	876	989	1,178	1,479	1,986	2,115	2,264	2,459	2,788
Personal Income by Place of Residence	7,668	8,382	9,452	10,775	12,229	13,133	14,731	16,260	18,357	20,605

*Revised: Detail may not add to totals due to rounding.
Source: United States Department of Commerce, Bureau of Economic Analysis

SOUTH CAROLINA POPULATION - TOTAL RESIDENT, CIVILIAN AND MILITARY

1960, 1970, 1971-1979p

(In Thousands)

YEAR	TOTAL RESIDENT	CIVILIAN	MILITARY
April 1, 1960	2,383	2,325	58
April 1, 1970	2,591	2,513	78
July 1, 1971	2,640	2,652	78
July 1, 1972	2,688	2,615	73
July 1, 1973	2,724	2,659	65
July 1, 1974	2,775	2,704	71
July 1, 1975	2,816	2,745	71
July 1, 1976	2,844	2,778	66
July 1, 1977	2,878	2,808	70
July 1, 1978	2,902	2,836	66
July 1, 1979p	2,932	2,866	66

p = Provisional

Source: 1960 and 1970 -- United States Bureau of the Census, Decennial Censuses of Population; 1971-1979 -- United States Bureau of the Census and South Carolina Division of Research and Statistical Services, Federal State Cooperative Program for Population Estimates.

SOUTH CAROLINA RESIDENT POPULATION AND COMPONENTS OF CHANGE BY YEAR

1970-1979p

(In Thousands)

Year	Resident Population	From July 1 of Preceding Year				
		Percent Change	Births	Deaths	Natural Increase	Net Migration
July 1, 1970	2,591					
July 1, 1971	2,640	1.9%	52.3	22.8	29.5	8.5
July 1, 1972	2,688	1.8	53.0	23.1	29.8	19.6
July 1, 1973	2,724	1.3	50.0	23.9	26.0	22.0
July 1, 1974	2,775	1.9	48.9	25.0	23.9	12.1
July 1, 1975	2,816	1.5	48.4	24.2	24.3	26.7
July 1, 1976	2,844	1.0	46.7	23.3	23.3	17.7
July 1, 1977	2,878	1.2	47.7	23.6	24.0	4.0
July 1, 1978	2,902	.8	49.8	24.3	25.6	8.5
July 1, 1979p	2,932	1.0	49.5	24.1	25.4	14.6
			50.6	24.3	26.3	3.7

P=Provisional

Source: Division of Research and Statistical Services from data supplied by the United States Bureau of the Census and the South Carolina Department of Health and Environmental Control

ESTIMATES OF THE POPULATION OF STANDARD METROPOLITAN STATISTICAL AREAS IN SOUTH CAROLINA

April, 1970, July 1, 1971 - 1978p

Area	April 1, 1970 Census	July 1, 1971	July 1, 1972	July 1, 1973	July 1, 1974	July 1, 1975	July 1, 1976	July 1, 1977	July 1, 1978p
Aiken County[1]	91,023	90,700	91,500	93,500	93,900	95,000	96,300	97,100	99,200
Charleston-North Charleston*	336,036	339,900	347,800	352,000	363,500	371,100	381,200	383,800	389,000
Berkeley	56,199	57,200	58,800	60,000	61,100	66,100	71,400	72,600	76,000
Charleston	247,561	248,000	252,300	252,400	261,300	260,000	263,000	261,700	260,600
Dorchester	32,276	34,700	36,700	39,600	41,100	45,000	46,700	49,500	52,300
Columbia*	322,880	335,400	342,000	348,300	362,400	365,600	367,300	374,500	380,000
Richland	233,868	242,300	241,900	240,800	250,200	248,000	245,200	248,200	249,500
Lexington	89,012	93,100	100,100	107,500	112,200	117,600	122,100	126,300	130,500
Greenville-Spartanburg*	473,454	483,800	501,500	508,900	519,700	523,900	521,900	534,100	541,100
Greenville	240,774	246,100	254,000	256,700	263,000	264,000	262,700	268,700	271,800
Spartanburg	173,724	177,100	183,900	186,600	189,100	196,000	190,300	195,000	196,800
Pickens	58,956	60,600	63,600	65,600	67,600	68,300	68,900	70,400	72,500

[1]Aiken County, South Carolina, part of Augusta, Georgia, SMSA.
P=Provisional
*SMSA totals rounded independently of county members.
Sources: United States Department of Commerce, Bureau of the Census, Current Population Reports, Series P-26, No. 76-40
South Carolina Budget and Control Board, Division of Research and Statistical Services

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CONSUMER PRICES INDICES, MAJOR COMPONENTS

UNITED STATES

Calendar Years

1967-1979

(1967=100.0)

	ALL ITEMS		FOOD		HOUSING		FUEL		APPAREL		HEALTH & REC.	
YEAR	INDEX	% CHANGE	INDEX	% CHANGE	INDEX	% CHANGE	INDEX	% CHANGE	INDEX	% CHANGE	INDEX	% CHANGE
1967	100.0	2.9%	100.0	.9%	100.0	2.9%	100.0	3.8%	100.0	4.1%	100.0	7.1%
1967	104.2	4.2	103.6	3.6	104.2	4.2	105.7	5.7	105.4	5.4	106.1	6.1
1969	109.8	5.4	108.9	5.1	110.8	6.3	116.0	9.7	111.5	5.8	113.4	6.9
1970	116.3	5.9	114.9	5.5	118.9	7.3	128.5	10.8	116.1	4.1	120.6	6.3
1971	121.3	4.3	118.4	3.0	124.3	4.5	133.7	4.0	119.8	3.2	128.4	6.5
1972	125.3	3.3	123.5	4.3	129.2	3.9	140.1	4.8	122.3	2.1	132.5	3.2
1973	133.1	6.2	141.4	14.5	135.0	4.5	146.7	4.7	126.8	3.7	137.7	3.9
1974	147.7	11.0	161.7	14.4	150.6	11.6	163.2	11.2	136.2	7.4	150.5	9.3
1975	161.2	9.1	175.4	8.5	166.8	10.8	181.7	11.3	142.3	4.5	168.6	12.0
1976	170.5	5.8	180.8	3.1	177.2	6.2	191.7	5.5	147.6	3.7	184.7	9.5
1977	181.5	6.5	188.0	4.0	186.5	5.2	202.2	5.4	154.2	4.5	202.4	9.6
1978	195.3	7.6	206.2	9.7	202.8	8.7	216.0	6.8	159.5	3.4	219.4	8.4
1979	217.4	11.3	228.5	10.8	227.6	12.2	239.3	10.8	166.6	4.4	239.7	9.3

Source: United States Department of Labor, Bureau of Labor Statistics

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UNITED STATES PRODUCERS PRICE INDEX BY GROUP OF COMMODITIES
Calendar Years
1975-1979

(1967=100.0 Unless Otherwise specified)

Item	1975	1976	1977	1978	1979	Percent Change 1978-1979
All Commodities	184.2	183.1	194.2	209.3	235.5	12.5%
Farm Products and Processed Food & Feeds	184.2	183.1	188.8	206.7	229.8	11.2
Farm Products	186.7	178.4	192.5	212.5	241.4	13.6
Processed Foods & Feeds	182.6	178.0	186.1	202.6	222.5	9.8
Industrial Commodities	171.5	182.4	195.1	209.4	236.4	12.9
Textile Products & Apparel	137.9	148.2	154.0	159.8	168.7	5.6
Fuels & Related Products & Power	245.1	265.6	302.2	322.5	408.1	26.5
Chemicals & Allied Products	181.3	187.2	192.8	198.8	222.2	11.8
Rubber & Plastic Products	150.2	159.2	167.6	174.8	194.2	11.1
Lumber & Wood Products	176.9	205.6	236.3	276.0	300.4	8.8
Pulp, Paper & Allied Products	170.4	179.4	186.4	195.6	218.9	11.9
Metals & Metal Products	185.6	195.9	209.0	227.1	259.3	14.2
Machinery & Equipment	161.4	171.0	181.7	196.1	213.8	9.0
Furniture & Household Durables	139.7	145.6	151.5	160.4	171.2	6.7
Nonmetallic Mineral Products	174.0	186.3	200.5	222.8	248.5	11.5
Transportation Equipment*	141.5	151.1	161.3	173.5	188.0	8.4

*December, 1968 = 100.0

Source: United States Department of Labor, Bureau of Labor Statistics

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GASOLINE CONSUMPTION
IN SOUTH CAROLINA AND THE UNITED STATES
(Thousands of Gallons)

Calendar Year	South Carolina	Percent Change	United States	Percent Change
1974	1,456,658	3.4%	101,855,749	2.4%
1975	1,506,212	3.4	104,271,488	2.4
1976	1,599,507	6.2	109,655,206	5.2
1977	1,636,136	2.3	112,980,215	3.0
1978	1,724,697	5.4	116,992,954	3.6
1979	1,657,831	-3.9	112,678,296	-3.7

Source: South Carolina Tax Commission; U. S. Department of Transportation, Table MF-33G.

CUSTOMERS SERVED BY NATURAL GAS UTILITIES IN SOUTH CAROLINA

Fiscal Years*

1969-1979

Year	Residential	Commercial and Small Industrials	Large Industrials	Sale for Resale	Total Customers
1969	148,942	16,225	696	13	165,876
1970	160,965	17,236	728	12	178,941
1971	172,463	18,237	736	12	191,448
1972	183,111	18,816	732	12	202,671
1973	191,457	19,147	705	12	211,321
1974	198,854	19,462	718	12	219,046
1975	203,914	19,360	725	12	224,011
1976	204,862	19,444	708	11	224,533
1977	207,540	19,544	759	15	227,858
1978	206,750	19,343	757	13	226,863
1979	205,915	19,420	781	13	226,129

*Figures based on fiscal year ending March 31 of following year

Source: South Carolina Public Service Commission

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NATURAL GAS SERVICE* TO RESIDENTIAL CUSTOMERS IN SOUTH CAROLINA

Fiscal Years**

1969-1979

Year	Residential Customers	Residential Gas Sales, MCF	Average Use per Customer, MCF
1969	148,942	13,493,635	95.9
1970	160,965	13,956,964	90.6
1971	172,463	14,627,898	88.0
1972	183,111	14,185,462	84.5
1973	191,457	14,947,334	81.5
1974	198,854	13,417,727	67.5
1975	203,914	13,611,809	66.8
1976	204,862	16,620,249	81.1
1977	207,540	16,023,302	77.2
1978	206,750	16,483,652	79.7
1979	205,915	14,875,517	72.2

*Figures include five private utilities only.
**Figures based on fiscal year ending March 31 of following year.

Source: South Carolina Public Service Commission

RESIDENTIAL ELECTRIC SERVICE

PRIVATELY-OWNED ELECTRIC UTILITIES OPERATING IN SOUTH CAROLINA

Calendar Years

1969-1979

Year	Revenue (Millions)	Number of Customers	Kilowatt Hours (Millions)	Average Rate (Cents per KW-HR.)	KW-HR. per Customer	Average Annual Bill
1969	$ 81.7	511,815	4,602.9	1.775	8,993	$159.63
1970	92.4	528,219	5,167.9	1.787	9,784	174.93
1971	107.4	549,152	5,515.7	1.940	10,044	195.61
1972	119.7	561,928	5,765.8	2.077	10,261	213.10
1973	140.0	581,066	6,498.7	2.150	11,184	240.91
1974	181.5	602,661	6,523.9	2.780	10,825	301.09
1975	223.1	612,753	6,836.0	3.263	11,156	364.06
1976	246.1	628,761	7,198.7	3.419	11,449	391.43
1977	291.8	641,530	7,858.4	3.713	12,249	454.80
1978	320.8	654,044	8,138.9	3.942	12,444	490.56
1979	338.8	666,545	7,910.8	4.283	11,868	508.37

Source: South Carolina Public Service Commission

GROWTH OF TELEPHONE UTILITIES IN SOUTH CAROLINA

Calendar Years

1971-1979

Year	Gross Operating Revenue (Millions of Dollars)	Gross Plant Investment (Millions of Dollars)	Total Number of Telephones (Thousands)
1971	194.6	683.3**	1,139.3
1972	168.4*	807.1***	1,250.6
1973	182.9*	934.4***	1,370.8
1974	213.9*	1,086.6***	1,451.9
1975	340.8	1,053.2****	1,529.2
1976	399.5	1,304.5****	1,600.9
1977	449.4	1,385.3****	1,708.2
1978	492.0	1,595.2****	1,793.8
1979	530.0	1,759.4****	2,062.1

*Includes only South Carolina portion of Toll Revenue
**Includes plant in service, held for future use.
***Includes plant in service and under construction
****Plants in service

Source: South Carolina Public Service Commission

SELECTED TRANSPORTATION INDICATORS IN SOUTH CAROLINA

Calendar Years

1968-1979

Year	New Car Sales (In Thousands)	Automobile Registrations (In Millions)	Vehicle Miles Traveled (In Millions)	Demand for Motor Gasoline (Gallons)
1968	100.3	.983	14,191	1,045,000
1969	101.9	1.026	15,512	1,117,000
1970	90.0	1.070	16,559	1,190,000
1971	108.3	1.117	17,764	1,277,000
1972	122.2	1.156	19,472	1,387,000
1973	129.9	1.233	20,428	1,454,000
1974	97.8	1.285	20,012	1,420,000
1975	88.8	1.324	20,603	1,471,000
1976	118.7	1.408	21,961	1,565,000
1977	132.8	1.468	22,689	1,604,000
1978	132.5	1.509	24,254	1,686,000
1979	127.0	1.524	27,074	1,619,000

Source: New Car Sales: South Carolina Automobile Dealers Association
Automobile Registrations: South Carolina Department of Highways and Public Transportation

Vehicle Miles Traveled and Demand for Motor Gasoline: Federal Highway Administration, Highway Statistics

HIGHWAY CONSTRUCTION AWARDS IN SOUTH CAROLINA*
Fiscal Years
1973-1979
(Thousands of Dollars)

	1976	1977	1978	1979
Federal Aid Programs				
Interstate	$ 24,205	$ 28,043	$ 38,329	$ 39,230
Primary/Urban	22,384	34,227	33,591	23,498
Secondary	7,361	11,531	13,235	9,847
Defense Access	193	38		100
Forest Highways	-9		16	214
Appalachian Access Road Program	2,972	479	303	2,382
Appalachian Development Hwys.	60	180	1,760	897
Highway Planning Research	515	1,836	1,777	1,584
TOPICS	182	9	-19	192
Metropolitan Planning Funds	170	327	168	-61
Urban Systems	6,204	13,818	10,615	7,892
Demonstration Railroad Projects			173	
Special Bridge Replacement	2,280	1,310	3,111	9,088
Rail-Highway Crossing	777	937	1,411	2,609
High Hazards-Roadside Obstacles	3,208	1,991	1,784	3,284
Safer Roads Demonstration	1,034	2,534	26	-57
Pavement Marking Demonstration	1,558	1,394	2,007	851
Off-System Roads	35	1,053	3,695	2,301
Public Trans. Demonstrations		4		
Supportive Services - State	108	107	167	138
Emergency Relief	240		-32	
Transitional Quarter Funds		6,943	3,912	19,525
State Programs				
Primary/Urban	3,005	-617	11,554	18,391
"C" - State Secondary	17,486	21,064	24,660	31,045
Special Highway Betterment	55	11	-68	6
State Bridge Replacement	-81	-2	116	556
Special State Program			5	
Special	1,657	132	1,419	-74
Totals	$95,869	$127,169	$153,715	$173,438

*Include cost of Right of Way, Engineering and Contingencies.
Source: South Carolina Department of Highways and Public Transportation Reports.

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SOUTH CAROLINA STATE PORTS AUTHORITY

ACTIVITY IN OCEAN COMMERCE

Calendar Years

1968-1979

(In Tons)

Year	Imports	Exports	Total
1968	1,256,242	1,044,442	2,300,684
1969	1,271,556	794,477	2,066,033
1970	1,186,882	1,098,230	2,285,112
1971	1,384,401	932,569	2,316,970
1972	1,552,527	1,089,468	2,641,995
1973	1,429,642	1,334,346	2,763,988
1974	1,429,622	1,741,604	3,171,226
1975	1,188,480	1,803,067	2,991,547
1976	1,383,398	2,190,187	3,573,585
1977	1,469,293	2,006,811	3,476,104
1978	1,800,834	2,247,001	4,047,835
1979	1,090,204	2,151,047	3,241,251

Source: Kaiser Master Plan: October, 1969 (1965-1968)
Kaiser Updated Master Plan: October, 1973 (1969-1972)
State Port Authority Records (1973-1976)
Monthly Tonnage Reports: January-December, 1978

ANNUAL KILOWATT HOUR SALES AND NUMBER OF CUSTOMERS OF PRIVATELY-OWNED ELECTRIC UTILITIES COMPANIES OPERATING IN SOUTH CAROLINA

Calendar Years

1969-1979

Year	COMMERCIAL		INDUSTRIAL		RESIDENTIAL		Add. KW-HR Sales* (Millions)	Total KW-HR Sales** (Millions)
	Kilowatt Hours (Millions)	Number of Customers (Thousands)	Kilowatt Hours (Millions)	Number of Customers (Thousands)	Kilowatt Hours (Millions)	Number of Customers (Thousands)		
1969	2,870.1	81.7	9,676.7	2.6	4,602.9	511.8	2,956.0	20,105.6
1970	3,240.5	84.5	10,035.3	2.7	5,167.9	528.2	3,554.1	21,997.8
1971	3,508.3	88.5	10,946.9	2.7	5,515.7	549.2	3,264.9	23,235.8
1972	3,842.8	89.1	12,049.4	2.7	5,765.8	561.9	4,839.3	26,497.2
1973	4,362.3	92.6	12,762.7	2.7	6,498.7	581.1	5,083.6	28,707.3
1974	4,363.9	93.7	12,423.6	2.7	6,523.9	602.7	4,516.7	27,828.1
1975	4,652.6	137.7	11,712.5	2.7	6,836.0	612.8	3,530.1	26,731.3
1976	4,937.8	142.5	13,179.1	2.7	7,198.7	628.8	3,730.5	29,010.0
1977	5,298.2	98.2	13,823.4	2.8	7,858.4	641.5	4,283.7	31,263.7
1978	5,583.7	152.9	14,175.4	2.9	8,138.9	654.0	4,489.9	32,387.9
1979	5,426.3	103.0	14,505.3	3.0	7,710.8	666.5	3,939.8	31,782.2

* Includes municipal use, sales to other electric utilities, REA cooperatives, etc.
**Does not include deficiency power provided SEPA preference customers.

Note: Items may not add to totals due to rounding.
Source: South Carolina Public Service Commission Annual Report.

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VALUE OF ALL FOREIGN CARGO THROUGH SOUTH CAROLINA PORTS

Calendar Years

1968-1978

(In Millions of Dollars)

Year	Total	Imports	Exports
1968	512.2	344.6	167.6
1969	447.7	307.0	140.7
1970	476.1	309.6	166.5
1971	601.9	396.4	205.5
1972	954.0	618.6	335.4
1973	1,347.3	807.7	539.6
1974	1,585.1	782.9	802.2
1975	1,519.0	713.0	806.0
1976	2,365.2	1,028.1	1,337.1
1977	2,975.2	1,620.3	1,354.9
1978	2,933.2	1,426.8	1,506.4

Source: United States Department of Commerce

DATA SOURCES

Board of Governors of the Federal Reserve System,
Federal Reserve Bulletin

Data Resources, Inc.

Dunn and Bradstreet, Inc.

Federal Deposit Insurance Corporation

Federal Highway Administration

Federal Home Loan Bank Board

Federal Reserve Bank of Richmond

F. W. Dodge Corporation

New York Stock Exchange

South Carolina Aeronautics Commission

South Carolina Association of Realtors

South Carolina Automobile Dealers Association

South Carolina Budget and Control Board

South Carolina Credit Union League

South Carolina Crop and Livestock Reporting Service

South Carolina Department of Health and Environmental Control

South Carolina Department of Highways and Public Transportation

South Carolina Department of Insurance

South Carolina Department of Labor

South Carolina Department of Parks, Recreation and Tourism

South Carolina Employment Security Commission

South Carolina Energy Research Institute

South Carolina Public Service Commission

South Carolina Savings and Loan League

DATA SOURCES, Continued

South Carolina State Development Board

South Carolina State Ports Authority

South Carolina Tax Commission

South Carolina State Banking Department

South Carolina State Board of Financial Institutions

United States Department of Agriculture

United States Department of Commerce, Bureau of Economic Analysis

United States Department of Commerce, Bureau of the Census

United States Department of Labor, Bureau of Labor Statistics

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GROSS NATIONAL PRODUCT

1970-1979

(Billions of Dollars)

Year	Current GNP	Percent Change	Real GNP	Percent Change
1970	$ 935.5	5.0%	$1,078.8	-.3%
1971	1,063.4	8.3	1,107.5	3.0
1972	1,171.1	10.1	1,171.1	5.7
1973	1,306.6	11.6	1,235.0	5.5
1974	1,412.9	8.1	1,217.8	-1.4
1975	1,528.8	8.2	1,202.3	-1.3
1976	1,702.2	11.3	1,273.0	5.9
1977	1,899.5	11.6	1,340.5	5.3
1978	2,127.6	12.0	1,399.2	4.4
1979	2,368.8	11.3	1,431.6	2.3

Source: U.S. Department of Commerce, Bureau of Economic Analysis

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PERSONAL CONSUMPTION EXPENDITURES

1970-1979

(Billions of Dollars)

Year	Total Amount	Percent Change	Percentage of GNP	DURABLE GOODS		NONDURABLE GOODS		SERVICES	
				Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
1970	$ 618.8	6.7%	63.0%	$ 84.9	-.7%	$264.7	7.2%	$269.1	8.9%
1971	668.2	8.0	62.8	97.1	14.4	277.7	4.9	293.4	9.0
1972	733.0	9.7	62.6	111.2	14.5	299.3	7.8	322.4	9.9
1973	809.9	10.5	62.0	123.7	11.2	333.8	11.5	352.2	9.2
1974	889.6	9.8	63.0	122.0	-1.4	376.3	12.7	391.3	11.1
1975	979.1	10.1	64.0	132.6	8.7	408.9	8.7	437.5	11.8
1976	1089.9	11.3	64.0	157.4	18.7	443.9	8.6	488.5	11.7
1977	1210.0	11.0	63.7	178.8	13.6	481.3	8.4	549.8	12.5
1978	1350.8	11.6	63.5	200.3	12.0	530.6	10.2	619.8	12.7
1979	1509.8	11.8	63.5	213.0	6.3	596.9	12.4	699.8	12.9

Source: United States Department of Commerce, Bureau of Economic Analysis

GROSS PRIVATE DOMESTIC INVESTMENT

1970 - 1979

	CURRENT DOLLARS			CONSTANT (1972) DOLLARS		
Year	Amount	Percent Change	Percentage of GNP	Amount	Percent Change	Percentage of GNP
1970	$140.8	-3.7%	14.3%	$154.7	-7.9%	14.4%
1971	160.0	13.7	15.0	166.8	10.7	15.1
1972	188.3	17.7	16.0	188.3	12.9	16.0
1973	220.0	16.8	16.9	207.2	10.0	16.8
1974	214.6	-2.5	15.2	183.6	-11.4	15.0
1975	190.9	-11.0	12.5	142.6	-22.3	11.9
1976	243.0	27.3	14.3	173.4	21.6	13.6
1977	303.3	24.8	16.0	200.1	15.4	14.9
1978	351.5	15.9	16.5	214.3	7.1	15.3
1979	387.2	10.2	16.3	215.2	.4	15.0

Source: U.S. Department of Commerce, Bureau of Economic Analysis

GOVERNMENT PURCHASES OF GOODS AND SERVICES 1970 - 1979

	CURRENT DOLLARS			CONSTANT (1972) DOLLARS		
Year	Amount	Percent Change	Percentage of GNP	Amount	Percent Change	Percentage of GNP
1970	$218.9	5.3%	22.3%	$250.2	-2.5%	23.3%
1971	233.7	6.8	22.0	294.4	-.3	22.5
1972	253.1	8.3	21.6	253.1	1.5	21.6
1973	269.5	6.5	20.6	252.5	-.2	20.4
1974	302.7	12.3	21.4	257.7	2.1	21.2
1975	338.4	11.8	22.1	262.6	1.9	21.8
1976	361.3	6.8	21.2	263.3	.3	20.7
1977	396.2	9.7	20.9	268.5	2.0	20.0
1978	435.6	9.9	20.5	273.2	1.8	19.5
1979	476.4	9.4	20.1	274.3	.4	19.2

Source: United States Department of Commerce, Bureau of Economic Analysis

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UNITED STATES EMPLOYMENT

Nonagricultural Payrolls

1970-1979
(In Thousands)

	1973	1974	1975	1976	1977	1978	1979
Total Nonagricultural Establishments	76,790	78,265	76,945	79,382	82,423	86,446	89,482
Manufacturing	20,154	20,077	18,323	18,997	19,682	20,476	20,972
Nonmanufacturing	56,636	58,188	58,622	60,385	62,741	65,970	68,510
Mining	642	697	752	779	813	851	957
Contract Construction	4,097	4,020	3,525	3,576	3,851	4,271	4,644
Transportation, Communication & Public Utilities	4,656	4,725	4,542	4,582	4,713	4,927	5,154
Wholesale & Retail Trade	16,607	16,987	17,060	17,775	18,516	19,499	20,137
Finance, Insurance & Real Estate	4,046	4,148	4,165	4,271	4,467	4,727	4,963
Services	12,857	13,441	13,892	14,551	15,303	16,220	17,043
Government	13,732	14,170	14,686	14,871	15,079	15,476	15,612
Federal	2,663	2,724	2,748	2,733	2,727	2,753	2,773
State & Local	11,068	11,446	11,937	12,138	12,352	12,723	12,839

Source: United States Department of Labor, Bureau of Labor Statistics, Employment and Earnings

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DISPOSITION OF U. S. PERSONAL INCOME

(1970 - 1979)

(Billions of Dollars)

Year	Personal Income	Less: Personal Tax and Nontax Payments	Equals: Disposable Personal Income	Savings as Percent of Disposable Personal Income
1970	$ 801.3	$115.3	$ 685.9	7.4%
1971	859.1	116.3	742.8	7.7
1972	942.5	141.2	801.3	6.2
1973	1,052.4	150.8	901.7	7.8
1974	1,154.9	170.3	984.6	7.3
1975	1,255.5	168.8	1,086.7	7.7
1976	1,381.6	197.1	1,184.5	5.8
1977	1,531.6	226.4	1,305.1	5.0
1978	1,717.4	259.0	1,458.4	4.9
1979	1,921.1	299.9	1,623.2	4.5

Source: United States Department of Commerce, Bureau of Economic Analysis